

Since the "change of trumps" back 12 years ago most all purchasing and consuming power has gone into increased debts and increased taxes. No wonder prices have dropped and business is dead—and that stocks and bonds are dying. No wonder the boys can not "balance the Budget." They never will be able to balance it and keep it balanced till they fix a way for the new wealth (the crops) produced each year to have a money value that will stack up enough to meet all the budgets. If they keep up their present racket, the whole shooting match is going busted. They are sure to bust or get "bolsheviked," or both. Our so-called leaders do not know what risk they are running. The people are quiescent now but they are "hurting inside." They are not complaining or yelling like they used to do because they have been hammered senseless by the press—most of them have been made to believe this thing had to be, but they do not like it. Some of them know they have been wronged but do not know how nor by whom. When a radical leader comes along and they break loose they are just as apt to jump on the wrong man or the wrong class—really will be sure to do so because they will have no way of discovering or getting at the guilty.

The people know that nothing has been done so far except to apply a little first aid to the injured—just a temporary palliative, like giving a man a hypodermic who has had his legs broken and three cogs knocked out of his spine and his diaphragm busted, and putting him on a stretcher and sending him to the hospital. And they know that the "hospital" has not set his limbs nor fixed his spine nor sewed his diaphragm. They know the patient will die just as hundreds of thousands of other good men have done if something is not done to give him real relief—if his parts are not mended. You have suggested the correct remedies. Either the dollar must be cut down or we must have prices of the agricultural staples fixed at about three times the present scale. As long as the mountain of debt remains on the world we can not have a revival of business, for business can not move without consumption and, as it is, the debts and the taxes are absorbing all consuming power. It is so plain that it is a wonder all do not see it. But they do not—even our "wise guys" who put on the squeeze and who are now losing millions do not see it. If the present policy is persisted in the worst has not even started—everything on earth will be reduced to monetary zero.

Yours with just a little hope,

GIBBONS POTTEET.

#### NOMINATION OF MAGGIE THOMAS

Mr. SHEPPARD. Mr. President, as in executive session, I enter a motion that the vote by which Mrs. Maggie Thomas was confirmed as postmaster at Petersburg, Tex., on the 4th instant, be reconsidered, and that the nomination be recommitted to the Committee on Post Offices and Post Roads. I desire to make some inquiries of the department regarding this nomination.

The VICE PRESIDENT. As in executive session, the motion to reconsider will be entered.

#### RECESS

Mr. McNARY. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 10 minutes p. m.) took a recess until to-morrow, Tuesday, April 12, 1932, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

MONDAY, APRIL 11, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, in the name of Him who knew poverty, who knew want, who knew isolation, and who knew the agony of death we pray. May His disinterested love and His unfailing obedience to the everlasting Father inspire our devotion to our fellow men. They were so deep, so real, that He gave no thought of self. O God, in whose hand is the destiny of our Nation, come to us. Put a check to all forms of greed, put a mighty restraint on all lawlessness, and give discouragement to social excess. May all these channels be cleansed, that henceforth there may spring the fairest things of our national life. Amid all questions, O give us power to adjust ourselves according to our ability and to Thy holy will, and unto Thy name be eternal praises. Amen.

The Journal of the proceedings of Saturday was read and approved.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. PARKER of Georgia. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

#### CALL OF THE HOUSE

Mr. COLLINS. Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. Evidently, there is not a quorum present.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 48]

Abernethy	Disney	Karch	Rogers, Mass.
Adkins	Doughton	Kelly, Ill.	Rudd
Aldrich	Douglas, Ariz.	Kelly, Pa.	Sabath
Andresen	Doutrich	Kennedy	Sanders, N. Y.
Barton	Drewry	Knutson	Schuetz
Beam	Dyer	Kunz	Selvig
Beedy	Ellzey	Kurtz	Shott
Beers	Erk	Lambertson	Shreve
Black	Estep	Lambeth	Simmons
Boylan	Foss	Larrabee	Somers, N. Y.
Britten	Freeman	Lewis	Spence
Brumm	Fuller	Lichtenwalner	Stewart
Brunner	Gavagan	Loofbourov	Stokes
Burtness	Gifford	Lovette	Strong, Pa.
Carden	Gilbert	Lozier	Sullivan, N. Y.
Carley	Golder	McFadden	Sullivan, Pa.
Cary	Goldsborough	Magrady	Summers, Tex.
Chapman	Greenwood	Montague	Sweeney
Chase	Gregory	Montet	Timberlake
Chindblom	Griffin	Moore, Ky.	Treadway
Clague	Griswold	Moore, Ohio	Tucker
Clark, N. C.	Hall, Miss.	Murphy	Turpin
Cochran, Pa.	Hall, N. Dak.	Nelson, Wis.	Underwood
Collier	Hancock, N. C.	Nolan	Vinson, Ky.
Condon	Hare	O'Connor	Watson
Connery	Hart	Oliver, N. Y.	Weaver
Cooper, Ohio	Holmes	Overton	Welsh, Pa.
Corning	Hornor	Parker, N. Y.	West
Crowther	Houston, Del.	Patman	White
Cullen	Hull, William E.	Patterson	Wigglesworth
Curry	Igoe	Peavey	Williamson
Dallinger	Jeffers	Pettengill	Wolfenden
Davenport	Jenkins	Purnell	Wood, Ind.
Davis	Johnson, Ill.	Ragon	Woodrum
De Priest	Johnson, S. Dak.	Ramspeck	Yates
Dieterich	Johnson, Wash.	Reid, Ill.	

The SPEAKER. Two hundred and eighty-eight Members have answered to their names. A quorum is present.

Mr. EVANS of Montana. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

#### PAYMENT OF SOLDIERS' ADJUSTED-SERVICE CERTIFICATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an address made by myself over the radio last Saturday night.

Mr. MICHENER. Mr. Speaker, reserving the right to object, I ask that there be included the other part of the program, the address made by the gentleman from South Dakota [Mr. JOHNSON].

Mr. RANKIN. Yes. I will be glad to have everybody in America read the two speeches.

Mr. STEVENSON. Mr. Speaker, reserving the right to object, I am not going to object to this request, but, considering the strenuous motions for economy, some of them directed at the printing of this Congress, I serve notice now that I am going to ask that the gentlemen deliver their speeches that go into the RECORD here, and I am going to do some objecting to this everlasting radio propaganda.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, so many requests are coming to me from every section of the country for copies of my address delivered over the radio on last Saturday night on the subject of Paying Off the Soldiers' Adjusted-Compensation Certificates that I am taking this advantage of the privilege given to extend my remarks in the RECORD to insert that speech in full.



I am glad to do this for the reason that there is so much misrepresentation being spread through the press and over the radio with reference to this proposition, and especially with reference to my attitude on it.

If the bill now before the Ways and Means Committee is passed, it will not add one dollar to the taxes of the American people nor will it flood the country with fiat money as the enemies of this legislation contend. On the other hand, it will start prices of commodities upward and will really bring more relief to the rest of the American people than the small amount paid to the ex-service men.

The gentleman from Michigan [Mr. MICHENER] asked unanimous consent that I also insert the address of Hon. ROYAL C. JOHNSON, who followed me last Saturday night. I take pleasure in doing so. I hope every Member of Congress will read both of these speeches and get an idea of how flagrantly my attitude and my statements on the subject are misrepresented.

ADDRESS OF HON. JOHN E. RANKIN

Representative RANKIN. Ladies and gentlemen of the radio audience, it is a pleasure to have this opportunity of coming before you to-night to discuss the all-important subject of inflating the currency and paying off the veterans' adjusted-service certificates.

Permit me to say at the outset that this is not a partisan issue. It is one that rises high above the scramble for party vantage or the noisy clamor of men for place and power, upon a proper solution of which may depend the peace, the happiness, and the prosperity of the American people for generations yet to come.

It is by far the most important question now before Congress. If it involved only the veterans of the World War, if it really meant wringing from the overburdened taxpayers of these United States \$2,000,000,000 with which to pay off these adjusted-service certificates, I would certainly oppose its passage. But that is not the case. It is by far the most effective piece of relief legislation that has been proposed at this session of Congress—relief for the entire people of our country from the grip of the most terrible panic America has ever known.

Let no man deceive himself. This country is at war!

We are at war with depression, we are at war with poverty, we are at war with unemployment, we are at war with hunger, we are at war with privation, with human misery, and with all the kindred evils this unprecedented panic has produced.

Our farmers are destitute, their crops are selling far below the cost of production and their homes are being swept away for debts or sold to pay their taxes. Our transportation system is paralyzed, our factories are closed, and their once happy and contented workmen are crowded into the lengthening bread lines that stream down the streets of our cities. Failures, foreclosures, and bankruptcies continue to multiply, while the crimson wave of suicide sweeps over the land.

What is the cause of all this? Why this condition in a land teeming with abundance, where we have more food than we know what to do with and where our factories and their warehouses are filled to overflowing?

I'll tell you why. We are in a money panic. The lifeblood of the Nation has dried up. The currency has been deflated to where there is not a sufficient amount of the circulating medium to properly transact the business of the country. The buying power of the people is gone, and the value of their property has shrunk to the vanishing point. And, until we expand the currency, put more money into circulation, and raise the price levels of commodities, there can be no hope for relief.

Up to the present moment the legislation that has been passed by Congress has proved futile. Money was provided for the Federal land banks to enable them to renew the notes on the farmers' lands, but as soon as they were thus made secure from failure themselves they proceeded to foreclose the very farmers Congress was trying to assist.

Five hundred millions of dollars has been supplied by Congress to organize a \$2,000,000,000 finance corporation supposedly for the relief of our struggling business enterprises in order to enable them to resume operations and put their laborers back to work. We now find that this fund is being dissipated in the payment of unreasonably high salaries to political appointees or paid into the coffers of Wall Street bankers in settlement of prepanc obligations that were based on the inflated values of watered stocks.

We attempted to bring about a reasonable inflation of the currency through the Federal reserve system by the passage of the Glass-Steagall bill, setting aside a sufficient amount of free gold to constitute a 40 per cent reserve against every extra dollar they put into circulation. We are now told that this law has been ineffective for various and sundry reasons, one of which is the difficulty of getting the money into circulation, owing to the lack of security on the part of those who apply. Instead of an inflation, we are told that there has been further deflation, with the result that conditions have grown worse.

It is contended that one of the great problems connected with an inflation is that of getting the money into circulation. Well, we at least have that problem solved so far as the proceeds of this bill are concerned. When we pay this money out to our ex-service

men in exchange for their adjusted-service certificates, they will put it into circulation at once, not by wasting it, as some of the opponents of this measure contend, but by paying their debts and purchasing for themselves and their families the necessities of life.

My primary object in supporting this legislation is to inflate or expand the currency, end this terrible panic, and bring back prosperity to the American people. Paying our ex-soldiers what the Government owes them is merely incidental to the main issue. I would be willing to support a bill to pay off any other indebtedness of the Government through a reasonable, controlled inflation of the currency such as this bill provides. But this is the easiest and quickest way to put this money into circulation and to make it reach every section of the country.

Besides, let me say in defense of the veterans who are asking for this payment, that our Government owes them this money, as evidenced by the certificates they now hold. They are asking us to pay them what we owe them. A majority of the veterans, a majority of the legionnaires favor this measure, and the Disabled American Veterans and the Veterans of Foreign Wars are on record for it. We are going to have to pay these certificates off sooner or later.

The enemies of this legislation tell you that these certificates are not due until 1945. If we had paid these boys the same interest rate on what the Government owed them for their services during the war that we paid to the war contractors who profiteered on the Government while these boys were in the service, these certificates would have matured more than a year ago and the entire face value of them would have been due. Then, too, it is generally conceded that Congress will sooner or later relieve these veterans of the payment of the interest they are being charged on the money borrowed on these certificates. That being the case, we had as well pay them what the Government owes them now. By doing so under the provisions of this bill we will not only render them a great service but we will be rendering equally as great a service to all the American people.

This terrible panic had a parallel in the centuries past and gone. What is usually referred to in history as the Dark Ages was a money panic also, an economic depression such as we are in now. It lasted over a lapse of centuries—as this one may do if we continue to supinely fold our hands and permit this country to be dominated by those Wall Street influences that are now profiting at the expense of human misery.

For hundreds of years after the fall of the Roman Empire gold was the money of Europe. The amount in existence was insufficient to meet the requirements of the world at that time and the supply was gradually diminishing. As a result values fell, trade became stagnant, commerce was paralyzed, and the world lapsed into an economic coma that lasted for a thousand years. With the discovery of the New World there was also discovered new, and what appeared to be unlimited, supplies of gold. Immediately values began to rise, trade was revived, commerce increased, the world awoke from its lethargy of centuries, and stepped forward into a new era of prosperity. Then came the dawning of what we call the Golden Age, the most glorious period in all the history of mankind.

We have to-day again reached the point when our gold supply is insufficient to meet the monetary demands of this complex age, and the amount is again diminishing. I wonder if we are entering upon another period of economic stagnation equal to that of the Dark Ages of the past. That depends upon the action of those charged with the responsibility of government in this dark hour of trial. There is no hope for the discovery of any appreciable additional supply of gold for the reason that all the territories of the world have been prospected and all the known fields have been exploited. We must find some other method of increasing our circulating medium if we expect to recover from this panic and bring back prosperity.

Statements in the public press have quoted me as saying that I was in favor of abandoning the gold standard. That statement is incorrect. It is not necessary to abandon the gold standard. I am in favor, however, of increasing our circulating medium so as to bring back commodity prices and restore normal conditions throughout the country.

This can be done without suspending the gold standard, by inflating or expanding, or as some economists prefer to call it, "reflating," the currency as provided in this bill, setting aside a sufficient amount of the free gold now in the Treasury to constitute a 40 per cent reserve and issuing United States notes against it. We can set aside the \$800,000,000 of free gold held by the Treasury and issue \$2,000,000,000 without impairing the gold reserve or levying additional taxes.

I know that some people who are suffering from a gold complex will throw up their hands in horror and scream "Fiat money." This is not fiat money, nor is this a new procedure. Abraham Lincoln did the same thing during the Civil War.

Under the Federal reserve law we only require 40 cents in gold reserve against every dollar issued. It is true the other 60 cents reserve is supposed to be composed of other securities. But I submit that no security in this country is more valuable than the credit of the United States Government which would be behind every dollar of this money in addition to the 40 per cent gold reserve.

France, the only other gold-standard country on earth, does not require 100 per cent of gold reserve behind her currency, and even before England expanded to the point of suspending the gold standard, that country did not require as much as 40 per cent reserve.



The enemies of this legislation point to the unlimited inflation of South American and European countries in order to try to frighten us into suffering uncomplainingly the ills we now have. The difference is that we are proposing a limited, controlled inflation—controlled by the United States Government and not by a few Wall Street bankers. This will guarantee us against the dangers of flooding the country with what they call "fiat" money. We expanded our currency more than this through the Federal reserve system during the World War and restored the people's purchasing power. No one called it fiat money then.

The main opposition to this measure is coming from those people who made or increased their fortunes during the war and during the inflation subsequent to the war. They, as a rule, have placed their earnings in tax-exempt securities, which, when measured in commodity values now, have four or five times the purchasing power they had when the war closed. They prefer to wring the lifeblood from the American people, to exact the last pound of flesh, and that at the expense of perpetuating this horrible depression, with all its human misery and all its provoking dangers to American institutions. If their policy is carried out, in my humble opinion it will bring to this Nation consequences infinitely more direful than even an unlimited inflation would produce. We are trying to save the American people from the very calamities which the policies of the opposition to this measure would bring.

Let us pass this bill; provide for a reasonable, limited, controlled inflation of our currency; pay these adjusted-service certificates off; and put this money in circulation at once. If that is done, you will see the prices of farm commodities rise; you will see industrial values increase; our transportation systems will renew their normal activities; our bread lines will melt away; our people will be inspired with a new hope; our institutions will take on new life; and from the Lakes to the Gulf and from ocean to ocean there will break over this distressed land of ours the dawning of a new day of happiness and prosperity.

ADDRESS OF HON. ROYAL C. JOHNSON

Representative JOHNSON of South Dakota. Ladies and gentlemen of the radio audience, of course I have listened with great interest to the argument advanced by the gentleman from Mississippi, Mr. RANKIN, who has very plausibly stated the case for the full payment of the bonus. He neither dented the microphone, pounded the table, nor waved the American flag as much as I had expected. He realizes, as we all do, that this is an economic question affecting the welfare of all people of the United States rather than an occasion for oratorical effort.

Personally he could not desire to see the bonus paid as much as I do, because I have a substantial bonus certificate, on which, at a time of economic pressure, I have borrowed to the limit. The law provided that I could borrow on it, which I did after a tough campaign, when I needed the money. Most of the infantry soldiers I served with, as a private, sergeant, and second lieutenant, have borrowed on their certificates, and they needed the money. There is not a Member of Congress who would not be happy to give it to them now not only to help them out but to stop the agitation, because it certainly does not popularize a Member of Congress to keep anyone from securing what he wants.

The easy way would be to surrender to the popular clamor and vote for it. It is a case of history repeating itself, because in 1917, when I voted against the war, there was the same popular clamor from people who became so temporarily patriotic, but many of whom did not intend to enlist.

It is equally true to-day that those who would receive the money but would not pay the bill must advocate the legislation.

I would support the bill to-morrow if I did not think it would mean more financial disaster for the United States, and I do not know where the money can be raised unless currency is issued and the printing presses commence to run. I watched the printing presses run in Germany and saw what happened there.

The full payment now would take \$2,423,000,000. If this currency is issued to help one group, this Government must immediately issue currency to help other groups in distress. It must issue \$9,000,000,000 of currency to the farmer and an equal amount for the wage earner, and within two weeks after that is done the American dollar would dive as did the German mark.

Mr. RANKIN has argued that a country can issue currency without a gold basis. If his theory is sound, that the Government can issue two and a quarter billions in United States currency to immediately pay the adjusted-compensation certificates, and if it has any economic basis whatever, then we should stop governmental taxation now and issue \$4,000,000,000 of currency now to pay the running expenses of the Government this year and two billions additional to take up the deficit. In other words, if his theory is sound, we should not levy these taxes on radios, land deals, postage, stock-exchange and grain-exchange transactions, automobiles, and all the other drastic taxes contained in the bill passed by the House of Representatives. If his theory is sound, the Government should stop taxation and start the printing presses. If his theory is sound, there should be no more failures of banks belonging to the Federal reserve system. Simply allow the banks to issue Federal reserve notes. In other words, if the Government can do business on hot air, so can every State, every county, every city, and every bank.

The greatest economists in the United States testified before a congressional committee, on March 25, last.

One of them, Dr. Edwin W. Kemmerer, professor of international finance of Princeton University, is the financial adviser to

nearly every country. He said if this inflation program is passed by Congress:

"It would be a case of inflation of the worst kind. It would give a blow to the confidence of the people. Your currency would be inflated, and you would pump more gold out of the country. If you want to break up all the confidence on the part of the people on whose initiative the return of confidence is based, that would do it."

Even the talk of paying this bonus has commenced to take the gold out of the United States held here by foreign countries. There are nearly \$2,000,000,000 of that gold.

Another great expert, Jacob A. Hollander, of Johns Hopkins University, said:

"I think it would drive us off the gold standard."

I do not trust every expert, but when I have a lawsuit, I go to a lawyer, and when I am ill I go to a doctor, and I trust honest economists when they have no personal interest and know the history of economic transactions throughout all history. In other words, no one can convince me that these two gentlemen, together with every other man in the United States who knows finance, are wrong, and Mr. RANKIN, of Mississippi, is right. I do not concede that he knows more than every economist in the United States, and right down deep in your hearts, I do not believe there is a person listening to me who believes it.

Of course, many people who have these certificates want and need that money, but I do not believe they want and need it enough to force the greatest panic in the history of the world on top of the one we have.

Especially is this true when every soldier knows that the Government never promised him payment until 20 years after the certificates were issued, and just to make certain that everyone knows that I am going to give you the law.

"The amount of adjusted-service credit shall be computed by allowing the following sums for each day of active service in excess of 60 days in the military or naval forces of the United States after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran: \$1.25 for each day of overseas service and \$1 for each day of home service, but the amount of the credit of a veteran who performed no overseas service shall not exceed \$500 and the amount of the credit of a veteran who performed any overseas service shall not exceed \$625."

That law—and I voted for it as a Member of Congress—said and promised only that every man should secure a dollar a day for service on this side of the water and \$1.25 a day for every day overseas; that the soldier who served on this side could not secure more than \$500 and the one who served overseas could not secure over \$625. That was the only promise ever made by Congress. Moreover, that was what was requested by service men.

That being the case, anyone who asks more than that is doing so simply because he happened to have been in the service and is hard up to-day and feels that he should be given a gratuity or gift or bonus of whatever amount of money he can secure in addition to the promise originally made. I think every one of you, whether service men or not, will agree with me on that.

Every service man who borrowed on his certificate 50 per cent of its face value, as provided by the law of February 27, 1931, has already been paid his one dollar a day in full for every day he served on this side of the water and his one dollar and a quarter a day for every day he served on the other side of the water. If he never secures another cent from the Government, he has been paid every cent the Government promised him. Most service men never thought of that because they have been listening to people who have not stated facts with reference to the law.

If any of you service men have a pencil and paper with you, you might use it while I give you some figures.

Take the average case of the average man who served 178 days in the United States and 176 days overseas, serving 354 days in all, in excess of the 60 days for which a cash bonus of \$60 was paid at discharge. Had the Government paid him a dollar a day for home service and a dollar and a quarter a day overseas service, he had due \$398. That is all that the man who died in 1923, before the certificates were issued, received. Because the Government did not have the money at the time, however, and wanted to defer payment, it took the \$398 due this man and arbitrarily added 25 per cent to that amount. It then took the total amount and added to it 4 per cent interest, compounded annually, for 20 years, which made the face of the policy. In other words, if this soldier who had \$398 due under the law had been paid in cash right then and had deposited that money in a bank at 4 per cent interest from the date his certificate was issued until the day he secured the 50 per cent loan, his certificate of deposit in the bank would be approximately \$524. That is all the Government ever promised him.

If he borrowed to the full amount, however, he secured \$519. This apparently leaves this soldier with \$5 coming to him under the promise made in the bonus act. That is more than offset by the fact that he had the insurance for seven years, which, if bought from a private company, would have cost at least \$20. Remember my figures are based on an average case, and the amount received by a borrowing veteran on an interest basis would depend on the date of his certificate. To save interest computations the law simply provided that the veteran could borrow 50 per cent of the face of the policy.

Again let me make it clear. Every soldier who borrowed on his certificate has secured his dollar a day for home service and his dollar and a quarter a day for overseas service, and \$15.



What Congress is asked to do now, however, is to pay a balance of interest not now due on an amount of money which the Government has already paid, plus 25 per cent additional for deferred payment. That interest is not earned and not due for 20 years from the date of the face of the policy.

My own judgment is that the law of 1924 was an adjusted-service certificate statute. But this proposed plan properly deserves to be called a bonus.

Some of my listeners may not realize what it would cost to pay this bonus. To do so would cost every family about \$100.

If it were due, I would say that every family ought to pay the \$100, but it is not due, and the payment was not promised at this time.

When the country becomes in financial condition to pay it, without causing a panic, I will be one of the first advocates of payment, because I know there are so many honest men who feel that it ought to be paid. There are many, however, who are simply blinding their eyes to the fact that the promise to pay it now was not made, and that it will throw us off the gold standard and cause a panic if Congress should pass the bill.

Some of these men who are going to vote against its payment now may possibly be defeated for the House or Senate, but do not think they do not know it, because Congressmen are neither smarter nor dumber than soldiers. The best soldiers I ever served with in the Infantry knew how to duck into a shell hole when a barrage cut loose, but sometimes they walked through it because they thought they should. Congressmen and Senators who are opposing this bill at the present time, and who are candidates for reelection, are just as smart as soldiers, and when they are walking through the bonus barrage they know what they are doing.

These are the same Senators and Congressmen who have passed the laws that gave the service men of this country the most liberal benefits ever given in the history of the world; gave them hospitals where 30,000 of them are receiving treatment; who are spending 25 cents out of every dollar the Government collects in taxes to take care of service men, and who do not begrudge them a cent of it.

Now I do not believe in bunking service men. They listened to enough of that when they were in the Army.

The promise not having been made, and the country not having the money, the bill is not going to be a law, and I think it is unfair to "hot-air" men who are broke and discouraged, by promising them something they can not possibly get.

No one can be called a friend who tells us what is not true—particularly when it is something that is vital to ourselves, our families, or our pocketbooks.

#### STATE AND FEDERAL TAXES

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter written by myself to one of my constituents on the cost of Federal and State Government.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. EVANS of Montana. Mr. Speaker, in pursuance with permission heretofore granted me I submit for the RECORD a copy of a letter written to a constituent in Montana on the question of State and Federal taxes. For obvious reasons the name of the person to whom the letter was written is deleted. The letter follows:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., April 11, 1932.

MY DEAR SIR: This will acknowledge receipt of your favor of April 5 commenting on our former correspondence.

It seems we are not so far apart in our views on the tax and economy question. We are, perhaps, looking at it from different angles, and yours may be the broader and better view. Mine may even be a provincial view, but we are all by nature inherently selfish, and I have felt it my first duty to protect and save the people of my State and county just as I believe we should save the people of the United States before we attempt to save the people of Europe.

I am by no means opposed to economy, and when this Congress adjourns it will be found we have reduced appropriations four or five hundred million below the Budget estimate and the recommendation of the President.

I am perfectly willing to vote to cut my salary or the salary of anyone else drawing more than two or three thousand dollars but I am not willing to cut the salaries of people drawing a thousand to fifteen hundred a year.

Congress and the Government have been extravagant, of course, and I make no excuses for their wastefulness; however, if any substantial relief comes to the people of Montana from the tax burden it must come from a reduction in local taxes and not Federal taxes.

In 1929 the people of Montana paid for the support of the Federal Government \$4.78 per capita, but they paid toward the support of their local government, State, county, city, and school, \$45 per capita which you'll observe is almost ten times as much.

In 1930 the people of Montana paid toward the support of the Federal Government a little less than \$3.50 per capita, but they paid toward the support of their local government \$45 per capita. You'll therefore observe that for every \$1 paid toward the support of the Federal Government they paid \$13 to the support of their local government.

In the year 1930 the people of the State of Montana paid for the support of the Federal Government in round figures, \$1,750,000 but they paid for the support of their local government \$25,330,000. The county of Silver Bow alone paid almost 50 per cent more in local taxes than the whole State of Montana paid in Federal taxes. In the same year 866 individuals, corporations, and partnerships paid Federal taxes in Missoula County while 6,500 taxpayers were on the local tax rolls.

The expenses of running the Federal Government last year amounted to approximately \$4,500,000,000. I am confident we will reduce that expenditure during this session at least 10 per cent and I commend such a reduction to the people of Montana. If they can reduce their tax bill 10 per cent they will save approximately \$2,500,000.

Last year the people of Missoula County paid toward the support of the Federal Government less than \$75,000, but they were called upon to pay toward the support of their local government, including special improvement taxes, more than \$1,100,000. I devoted all my time last summer making speeches on this tax question, and spent several hundred dollars in printing, hiring halls, postage, etc., trying to arouse the people on the subject. To my chagrin, not a banker, business man, newspaper, lawyer, doctor, or educator would openly join with us in our efforts to save the people of Missoula County from utter financial destruction; while with some minor exceptions the officers from school trustee to district judge, yes; even the State board of equalization, stood in solid phalanx against us.

The local daily papers print long editorials about the burden of Federal taxes (which is \$75,000), but never a word of protest or condemnation about the \$1,100,000 local tax burden. They seem to have entered into a conspiracy of silence and deception on this important matter. If the people could get the facts they would remedy the situation, and there is a growing resentment against news being suppressed or colored by the press.

In one mass meeting last summer the people there passed a resolution asking for a 10 per cent reduction in their taxes, which was denied by the board of county commissioners with the arrogant boast that "the rabble asked for a reduction and we gave them a raise."

At another mass meeting the following resolution was unanimously passed:

"Be it resolved by the taxpayers of Missoula County, in mass meeting assembled at the Liberty Theater, August 17, 1931, to the number of 500:

"First: That we view with utter disapproval the action of the high-school board and others in increasing the levy  $2\frac{1}{2}$  mills, adding approximately \$50,000 to the burden of this tax-ridden people.

"Second: We earnestly but firmly request that the proper officers rescind such actions.

"Third: We gravely remind the officers and any others interested that to pursue the course now outlined by the school and other authorities can have but one result, to wit, disaster for the taxpayers and destruction for the high schools of this county."

This resolution received no more consideration than the one above mentioned, and another year will complete the havoc.

The law provides that property shall be assessed at its cash value—that means what the property would sell for in the open market—but it is notorious that in your county real estate is assessed from two to ten times what it would sell for in the open market, and often one year's taxes is more than the property will bring at the time of assessment. When appeal is made to the assessor or the board of equalization the taxpayer is told, "We have got to have the money to run this county." If the officers will not heed the law and listen to the protests of the taxpayers, then you must get new officers.

Property in Montana is now being confiscated for local taxes, and if the people save themselves from utter bankruptcy they must reduce the cost of their local government.

Very respectfully,

JOHN M. EVANS.

#### PAY BONUS BY INCREASING MONEY IN CIRCULATION

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the adjusted-compensation proposition.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, the question of paying the balance of the adjusted-service bonds to the World War soldiers of this country is upon us and must be decided somehow. We all know that the Government has not the money in the Treasury to pay it. We also know that the balance of this debt, which has been formally acknowledged by the Congress, will not be due, according to the letter of the law, until 1945. We also know that it is not advisable



at this time to try to borrow more than \$2,000,000,000 of money for the Government. We are already having to borrow money to meet current expenses. Therefore, shall we sit down and do nothing about it?

Mr. Speaker, I merely repeat what everybody in this country knows, that we are in the midst of a crisis. It is more than a mere depression; it is a testing time for the courage and the wisdom of the leaders of American thought and the responsible officers of the Government, and especially for the Congress and the President. Our people have been caught in the blasts of a terrible economic storm. Our people, as a whole, are not to blame for this condition in which they find themselves. The masses of our people were working happily, spending freely, and innocently enjoying life, confident in the belief that their jobs would continue and that their wages would be sufficient to meet their needs.

Suddenly, as from out of a clear sky, a blighting frost falls upon our prosperity. The speculators and gamblers of Wall Street had concentrated nearly \$7,000,000,000 into New York City for the purpose of gambling on margin contracts in stocks. The international investment bankers, who had been regarded for generations as very wise men, loaded down our credulous and trusting public with three and a half billion dollars of practically worthless foreign bonds. These same Wall Street bankers continued to encourage the wild and delirious speculation in stocks up to the fatal day of October 29, 1929. Money had been drawn out of the communities to which it belonged. Speculators in New York on margin could pay 12, 15, 20 per cent for money on call so long as stocks continued to rise. Bankers in all of our cities and towns throughout the country refused to make loans on a good security because limited by State laws to 6, 7, and 8 per cent, and sent the money belonging to the entire people of the whole country to New York to feed that great gambling game.

When finally the bubble burst and the stock market collapsed, paralysis seemed to have set in upon the business of the whole country. Commodity prices began to drop and have continued to drop until this very day. The farmer's dollar to-day is worth only about 63 cents, whereas farm machinery and other things which he must buy are worth, in terms of his commodity, 127 cents. It is evident that the farmer can not survive this unequal struggle. No wonder that one-fourth of all the farm lands in the State of Mississippi have been sold for taxes. No wonder that this same state of affairs prevails in all the agricultural sections of the country, and especially in the cotton-growing States of the South.

So again, Mr. Speaker and my colleagues, I ask the question, what are we going to do about it? Shall we continue to sit with folded hands and let our people suffer and some of them starve and lose their homes and become tenants and peasants?

Now, Mr. Speaker, what one class of our people loses by this critical depression another class gains. The rise in the value of a dollar makes the man who has the dollar richer, and makes the man who has the crop and the manufactured product to sell, poorer. The bond clippers, the investment bankers, the trust companies, and all that group of people who have got a mortgage on America are the beneficiaries of this rise in the value of a dollar and of this shrinkage in commodity prices. Their dollar will buy nearly three times as much as it would buy 10 years ago. Therefore, they are nearly three times as rich as they were, though their books may show the same number of dollars. If they have been trebled in riches, the producing classes of the people such as the farmers and the manufacturers and the miners, have been cut to one-third of their producing power. What one class loses, the other class gains.

Again I ask, what shall we do about it? From my study of economics generally, and of this particular crisis, I have come to the firm conclusion that the only way to stop this downward trend in commodity prices and this shrinking in the value of a man's labor and this increase in the buying power of the bond-clipper's dollar is to increase quickly and

by a substantial volume the currency, the volume of money, the circulating medium of this Nation. If we do this, we can use the money to pay off the bonds which we owe to the World War soldiers, and it will result in a nation-wide and equal distribution of this \$2,200,000,000. If we did not owe the soldiers these bonus bonds, if conditions were as they are, it would still be our duty to increase the volume of currency. In such case we would have the choice of increasing it in one of two ways. We could either pay the salaries and other Government expenses for a year, amounting to about \$2,000,000,000, less fixed charges and other obligations calling for payment in gold, and thus put the money in circulation. Or we could select the holders of about \$2,000,000,000 worth of our bonds or our short-term obligations and pay them off with currency.

Of these two, the better would be to pay Government employees, including the Army and the Navy, because it would result in a more widespread distribution of the money.

But in the present case the best way to distribute the money and to put it at the very bottom of the economic structure is to put it in the hands of these World War soldiers whom we owe. We owe them just as certainly as we owe the holder of any bond. The bondholder furnished money, but these boys furnished their services and offered their lives. Let no man mistake the fact that this obligation to the World War soldiers is just as solemn and just as high as that to the holder of any bond of this Government. We will repudiate neither, and we can pay either class in advance if it suits our convenience.

It happens to suit our economic needs now to pay the World War soldiers. It will be distributed among over 4,000,000 men. It will be paid out by them almost immediately in discharge of debts, in payment of taxes, in payment of rents, to the grocer, to the druggist, and finally, in a few weeks and certainly in a few months, this money will be in the vaults of the banks of the country representing the deposits of their customers. Every dollar paid out to these boys will in a few months pay more than \$10 in debts. It will be circulated through the entire community, and the merchant will feel the first impulse of returning prosperity. Then the banker will find his assets more liquid and his bills more promptly paid. It means that from one ocean to the other, and from Canada to Mexico, distributed according to population, this new money will be like new blood in the veins of an anæmic person. It means that farm prices will rise, and that the merchant's goods will move from his shelves, and that the manufacturer's wheels will begin to turn, and that the railroads will have more abundant freight to haul, and people will ride on the trains, and they will be able to pay their insurance premiums, and the interest on the mortgages on their homes, and thus every institution of the land will receive new life from this additional volume of circulating currency, which is the lifeblood of our civilization.

Mr. Speaker, we all know that the Washington Post is editorially one of the most conservative papers in the whole Nation. It is acknowledged to be the voice of the vested interests, and yet the leading editorial in to-day's paper, April 11, 1932, is really an argument in favor of the very proposition I advance. I quote these four brief paragraphs from that editorial:

Value in the United States is being slowly concentrated into money. The dollar increases in value every day, while everything else loses some of its relative worth. In spite of the antihoarding campaign and the liberalizing of credit, this situation encourages the liquidation of all other forms of wealth. The value of the dollar has reached such a high point that the people are tempted to convert all their holdings into dollars to avert further shrinkage.

Unless this vicious movement is checked, it will result in panic. The extension of credit will not be sufficient. Heroic emergency measures that will arrest the fall of prices seem to be in order. How that can be done without unwarranted inflation of the currency is not clear, but every fresh wave of deflation makes more urgent the necessity of restoring some measure of balance between money and commodity prices.

The best brains of the country ought to be concentrated on this problem. This economic malady has reached a point where it can not be expected to cure itself without leaving horrible scars. Palliatives will not yield the desired effect. Business can not turn



toward stability unless the whole tendency toward lower price levels is reversed. Some powerful agency must be thrown into the breach to restore the value of goods and services against the exaggerated value of money.

The people would not countenance the manufacture of fiat money to make prices rise. But some method of currency expansion on a sound gold basis might be necessary. Emergencies of this kind call for drastic action which goes to the heart of the problem. All the benefits which have accrued through bank stabilization will be lost unless the forces of deflation are arrested. It is time for the leaders in Government and financial circles to focus their minds upon a realignment of values.

The writer of this editorial is eminently correct. We are not only in a terrible emergency, but we are at the crossroads. Our condition is worse than any war since our Government was established. The writer of this editorial says that the people will not countenance the manufacture of fiat money to make the prices rise. Nobody is suggesting the manufacture of fiat money. We have nearly half the gold of the world. We have enough gold to support a paper currency two or even three times as much as we have.

The English Government never expects to have more than a 10 per cent gold reserve. The French Government has less than a 20 per cent gold reserve. We have at present nearly a 60 per cent gold reserve. We are only asking to increase the volume of currency about 50 per cent. That will still leave us a gold reserve of nearly 40 per cent. I remember that W. P. G. Harding, our former chairman of the Federal Reserve Board, told me on the train in 1922 that under normal conditions it would never be necessary to have more than a 20 per cent gold reserve, and if in an emergency or a crisis we should put an embargo upon the export of gold, 20 per cent reserve ought to pull us through any crisis. Now, with nearly 40 per cent as it would be if we issued \$2,200,000,000 of Federal Reserve notes or Treasury notes, as either plan may be selected by the Ways and Means Committee, we would still be far within the limits of safety. We are safe, if we prevent the selfish speculator from shipping our gold out of the country.

Now, Mr. Speaker, let us have a little lesson in simple, common-sense economics. My grandfather, a farmer who never read a book on political economy, taught me, when I was a boy in my teens, truths that every sound economist acknowledges, that the prices of commodities such as crops and goods and services depend upon, first, supply and demand of money; second, supply and demand of credit; and third, supply and demand of the commodities themselves.

Now, everybody knows that there has been a terrific shrinkage in the volume of money per capita in this Nation. It has shrunk in the last 12 years from \$55 per capita to \$44 per capita. Furthermore, what money is left is out of sight by the hoarding of individuals and the hoarding of banks. Nobody blames either the banks or the individuals for hoarding. Any normal person will hoard money unless he has absolute confidence in the banks, and any normal bank officer will hoard his cash unless he has absolute confidence in the economic structure surrounding him.

Our banks that are still in existence are in a very liquid condition. They do not let their money out under present circumstances. Furthermore, credit which the bank represents is paralyzed. Ordinarily we have about \$30,000,000,000 of credit in this Nation. This credit flows back and forth in the banks in the form of checks, and under normal conditions each year pays about \$900,000,000,000 of debts. But at present the banks will not lend money, and nobody can blame them. They are afraid that their depositors will call for the cash. So the second item in prescribing the price of commodities is frozen stiff.

The third factor is the supply and demand for commodities. We all know of the enormous surplus of crops bursting the barns and warehouses of the Nation, while hungry men and women and children crowd the sidewalks for blocks formed in bread lines begging for charity. We all know that the factories are overstocked. On the other hand the demand for goods has been practically destroyed, due to the lack of buying power in the masses of the people. If the people could not find work and if they could not collect wages and if they could not borrow money from the banks

and if the farmers could not sell their commodities for a price above the cost of production, then how can they buy? Of course they can not buy, and therefore demand is dead.

No wonder, Mr. Speaker, that the writer of the editorial in the Washington Post of to-day is forced to concede that the dollar is daily increasing in value, while the farmer's crop and manufacturer's commodity are shrinking in value. No wonder that this editorial writer says that this vicious downward movement in commodity prices, and this wicked upward movement in the value of the dollar must be checked, or it will result in panic. I remind him that it has already caused a panic; and unless it is stopped, it will cause disaster. Something more is necessary than bank credit. The editorial is correct in saying that heroic measures must be resorted to to meet this emergency in falling prices. This deflation must stop. The only way to stop a deflation is to produce an inflation. The only way to produce an inflation now is by governmental power. Pay off these bonus bonds by distributing \$2,200,000,000 among the former soldiers and sailors, and let them distribute it among their neighbors and friends, and it will finally touch the pocket of every man, woman, and child in the Nation, and life will return, strength will come back, and that oft-repeated coming of prosperity "around the corner" will be realized.

The editor of the Washington Post says that the best brains of the country must be concentrated on this problem. This economic sickness will not cure itself. Little palliative plasters will not heal the soul. Even the \$2,000,000,000 plaster put upon the top of the economic structure in the form of loans by the Reconstruction Finance Corporation to railroads, banks, and insurance companies has produced little, if any, noticeable result. Perhaps it has saved greater disaster, but it certainly has not turned the tide toward prosperity. The editorial writer referred to says that some method of currency expansion on a sound gold basis may be necessary. His ultraconservative state of mind prevents him from declaring the truth. He knows that such expansion is necessary, and he knows that this emergency, this crisis can be safely passed only by means of such currency expansion. He knows that that expansion must first touch the bottom of the social structure and not the top. If he will face this problem honestly, free from prejudice, like a patriot who thinks more of all the people than he does of a few bond clippers, then he will see and will declare that the increase in currency volume must be made now, before it is everlastingly too late.

Every factor in fixing the prices of commodities is driving with full force toward the minimum price. The whole momentum of a hoarded currency, of a paralyzed bank credit, and of an absence of demand for enormous supplies of goods, is daily driving the prices of cotton and wheat and corn and meat and manufactured goods downward and downward.

The only way to offset this downward drive is to use artificial man-created methods. We can not by legislative act diminish the volume of goods, nor increase the buying power for those who need goods. We can not by legislative act compel the banks to give credit when they are afraid of their securities. But we can increase the volume of currency, pay a debt that we owe, distribute this currency through more than 4,000,000 families, and in a few weeks it will be distributed through every family in the Nation. Undoubtedly confidence will be restored, commodity prices will begin to rise, confidence will return to the banks, they will begin to extend credit to business, business will revive in the city, and the factory laborer will return to his job; the business of the merchant will multiply, his money will be deposited in the bank, and in a few weeks the forces will be pulling and driving toward rising prices. When money increases, and credits increase, and the demand for commodities increases, then these three forces will be pushing prices upward, and all economists acknowledge that prosperity returns with a revival of rising prices.

So, Mr. Speaker, in this emergency, an unusual thing must be done. Something must be done that was not done since



the Civil War. But the crisis is the greatest that there has been since the Civil War. Fortunately, we have the Federal reserve system which we did not have during the Civil War. We can use the Federal reserve system as the agency through which to issue this new currency. We have got the gold to guarantee it.

Nobody but an international banker ever takes his money to the Treasury and asks for gold. And the international banker never wants the gold for his money unless he wants to ship the gold abroad. The 120,000,000 people all over the Nation never read the words on the paper money they handle. They do not know the difference between national bank notes, Federal reserve notes, gold certificates, silver certificates, Treasury notes, or any other kind of paper money. They never think of taking their money to the Treasury and asking for gold. They are only too glad to get any kind of money, and I repeat that the international banker never wants to exchange his paper money for gold except for the purpose of embarrassing his Government to his own profit.

When he thinks that he can make a few millions, as they did in 1894, by cornering the gold of the country and by compelling his Government to stand and deliver, then he will do it. But we can put a crimp in the horn of this selfish international banker. Along with this legislation we can tell him that he shall not export gold. The only gold that may be exported shall be by the direct order of the Federal Reserve Board, in order to maintain our credit balances in the clearing houses of the world. The international banker shall not speculate upon the lifeblood of the American people. The international banker shall not corner the gold of this country again. If he should attempt it, then we can say, as Woodrow Wilson said in 1912, that if this international banker thinks more of his own profits than he does of his fellow countryman and if he seeks to get rich at his country's expense, then we will build a gibbet for him as high as Haman's, and hang him there, as the righteous revenge of the struggling and suffering people of this Nation.

#### PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

The SPEAKER. By order of the House made this morning before the roll call, the gentleman from Georgia [Mr. PARKER] is recognized to address the House for 10 minutes.

Mr. PARKER of Georgia. Mr. Speaker, very soon an effort will be made to pass the bill, H. R. 1, which has for its purpose the payment to former service men the remaining 50 per cent due them on their adjusted-service certificates (the bonus).

In the very beginning I wish to say that I served in the Army continuously from May, 1917, to December, 1922. I had 5 years and 7 months continuous service. I spent 14 months with the American Expeditionary Forces overseas, and I have three stars on my victory medal. If I did not courageously serve my country in this, its financial crisis, I would not consider myself worthy of wearing this medal. [Applause.] In addition to the service just referred to, I held a commission in the Officers' Reserve Corps for 5 years, and I was a member of the Georgia National Guard for 4 years. In all I have had more than 13 years' service in the various components of the Army of the United States. No other Member of Congress has had anything like the service that I have had, with the exception of Representative MARTIN of Oregon, who is a retired major general of the Regular Army. I have an adjusted-service certificate myself in the sum of \$1,548.

I had pneumonia and "flu" while in the service. I lay in a hospital at Houston, Tex., from January 17 to March 19, 1918. I was delirious for 11 consecutive days, and no one expected me to recover. I had phlebitis following the pneumonia, and, besides losing my hearing, I was barely able to walk for many months. I have never recovered entirely from that illness, and I am told that I never will. I have never drawn a pension or compensation in any other form. [Applause.]

In explaining my position with reference to the bonus legislation that is pending before Congress at this time I

shall state what my feelings are now and what they have been all along. I believe the bonus should have been paid to the ex-service men in 1919 in cash. At that time the men needed the money and the country could have paid it to them by adding the extra amount necessary to pay them to the war chest. In 1924, when the bonus legislation was enacted into law, I did not favor it. I expressly stated then that since the ex-service men of the country had re-established themselves and since they had been rehabilitated, I did not believe it to be necessary at that late date to give them additional pay for having served their country in time of war. However, the act was passed, and it became the law of the land. Now the Government owes this money to the ex-soldiers, and it must be paid. The question that confronts us to-day is, When should this debt be paid? I do not believe our Treasury, which is already depleted, can stand this additional strain upon it during this or the next fiscal year.

Since one-half of the value of the adjusted-service certificates has already been made available to the ex-service men throughout the country, although the money was not due and payable until 1945, I think all the patriotic ex-soldiers should be satisfied to wait a while longer for the balance that will be due them in 1945.

I believe the interest charges on the loans that have been made to holders of adjusted-service certificates should be written off and I shall offer such a proposal to the Congress. If my suggestion is adopted, the 50 per cent of the face value of the certificates that has already been loaned to veterans will then be considered as a partial payment rather than a loan.

When the certificates were issued it was the intention of Congress to give to each ex-service man \$1 for each day that he served in this country and a dollar and a quarter for each day that he served overseas, with the distinct understanding that he was not to be paid for more than 500 days. The largest amount due any one ex-soldier was \$625. When it was decided to defer payment for 20 years the amount due each ex-service man was invested in endowment insurance, and the amount due him 20 years from January 1, 1925, was to be approximately two and one-half times the amount of his adjusted-service pay. The man who was to be given \$400 received a certificate in the sum of \$1,000. When he received \$500 on this certificate last year he got his \$400 and \$100 in interest for the six years he had waited for it. Those who have borrowed 50 per cent of the face value of their certificates have already received the amount of their adjusted-service pay with 4 per cent interest added. When additional amounts are paid on these certificates, the Government will at that time, whether it be in 1945 or earlier, have paid twice the amount believed to be just and equitable in 1924, together with a small rate of interest, to each ex-service man.

Mr. RANKIN. Will the gentleman yield?

Mr. PARKER of Georgia. For a question only.

Mr. RANKIN. The gentleman said this was due the veteran in 1919.

Mr. PARKER of Georgia. I did not say that. I said in 1924.

Mr. RANKIN. I understood the gentleman to say that it should have been paid in 1919 when the war closed.

Mr. PARKER of Georgia. Yes.

Mr. RANKIN. If it were due then and there had been paid the same rate of interest that was paid to everybody else that the Government owed, all of it would have matured in 1931.

Mr. PARKER of Georgia. In taking this position and in making this public declaration of my intentions in the premises, I am not unmindful of the fact that I have promised a number of ex-service men that I would vote for this legislation. While I regret my inability to carry out these promises, I hope my final decision is the correct one. When I told certain ex-service men that I would support the bill, I did not dream that our National Treasury was so sorely depleted and that it would require the raising of everybody's taxes to pay off the bonus.



It is estimated that it will take \$2,400,000,000 to pay this debt. This means it would cost every man, woman, and child in America approximately \$20 in additional taxes. Assuming that the average family in America consists of five persons, to pay the bonus in cash at this time would cost each family in America approximately \$100.

Since I came to Washington last December I have tried to be consistent. I have vigorously opposed every effort to increase the tax burdens of the people and I can not consistently do an "about face" on this particular piece of legislation, even though I am a veteran myself and would profit by its enactment into law. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia be given five additional minutes.

The SPEAKER. Is there objection to the gentleman from Georgia?

There was no objection.

Mr. PARKER of Georgia. It is needless for me to say that I am in sympathy with my former comrades and that nothing would give me more pleasure than to see them obtain the balance due them on their adjusted-service certificates. However, since the Congress has been struggling for several months to raise sufficient revenue to balance the Federal Budget and since I have recently been forced to vote for a special tax bill by which it is hoped to raise more than a billion dollars to balance the Budget, I can not at this time vote for an appropriation of \$2,400,000,000 from our Treasury for any purpose whatsoever. It seems to me it would be a great mistake for the Congress to spend so much of its time in an effort at balancing the Budget and then immediately make an appropriation larger in amount than any nation has ever appropriated for a single purpose in times of peace. To make an appropriation of this kind from the Federal Treasury now would be foolhardy. If the plans of ex-service men are to appropriate this huge amount from the Federal Treasury in cash, I can not lend my support to them.

There is a movement on foot to find some way whereby these certificates can be retired without a direct appropriation. If some plan can be worked out whereby the certificates can be paid in some other way and if it will not wreck the financial structure of the Government to pay them, I, of course, would be glad to vote for such a measure.

I sincerely hope the ex-service men of the country will not demand more of the Federal Government at this time than it can reasonably do for them. No man has a higher regard for his comrades in arms than I have. I love every one of them. I am especially interested in those who were unfortunate and are now disabled on account of their war service. I am deeply concerned about the widows and orphans of the veterans of all our wars. I have an abiding faith in the patriotism of those who served their country in 1917 and 1918, and I believe they will be as loyal in 1932 as they were 15 years ago. It would be suicidal for us to demand more from our Government now than it can pay without wrecking the Treasury. If we are not to be reasonable ourselves at this time, we can not expect the taxpayers of the country to be reasonable with us when, in the future, we call upon them to remember and to care for our disabled and the loved ones left behind by our dead.

The Federal Government is now spending approximately \$4,000,000,000 annually. Of this amount approximately one-fourth is paid on the national debt. Another one-fourth is spent for national defense. The veterans at this time are drawing approximately \$1,000,000,000 from the Federal Treasury, which amounts to another 25 per cent of our expenditures. Only the remaining 25 per cent is left for administrative purposes. The people of the country are demanding a reduction in Federal expenditures. When we take into consideration that only one-fourth of the expenditures are for administration, you can readily see that even though it costs nothing to administer the various departments of the Federal Government and to pay the salaries of its of-

ficials and employees, we would still be called upon to raise \$3,000,000,000 for other purposes.

I am inclined to believe that a quarter of a billion dollars could be saved by a policy of retrenchment and economy, but this amount of money, in my opinion, is about all that we can hope to save if the Government is to continue to function efficiently. I wish, also, to point out to you that the amount paid to ex-service men increases as the years go by. The law authorizing the payment of disability allowance to ex-service men makes it possible for those who become disabled from time to time to have their names placed on the pension rolls, and, naturally, as time goes by, the number of pensioners becomes greater and the amount required to pay them increases accordingly.

As I have previously stated, it would take from the Federal Treasury \$2,400,000,000 to pay the balance due on the bonus at this time. If such legislation should be enacted into law and if it should become necessary to raise this amount of money from the taxpayers of the country in these critical times, I am of the opinion that the people who would be required to make this additional sacrifice would not be able to restrain themselves and that a rebellion would be the inevitable result. [Applause.]

#### HEARINGS ON STABILIZATION OF COMMODITY PRICES

Mr. STEVENSON. Mr. Speaker, from the Committee on Printing I report the following privileged resolution and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

#### House Resolution 188

*Resolved*, That, in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Banking and Currency of the House of Representatives, be, and is hereby, empowered to have printed 1,000 additional copies of the hearings held before said committee during the current session on the bill (H. R. 10517) entitled: "For increasing and stabilizing the price level of commodities, and for other purposes."

The resolution was agreed to.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. BACON. I object.

#### APPOINTMENT OF PUBLIC-SCHOOL EMPLOYEES

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 9974) to authorize appointment of public-school employees between meetings of the Board of Education.

The Clerk read the bill, as follows:

*Be it enacted*, etc., That the superintendent of schools of the District of Columbia be, and he is hereby, authorized to accept the resignation or the application for retirement of any employee, to grant leave of absence to any employee, to extend or terminate any temporary appointment, and to make all changes in personnel and appointments growing out of such resignation, retirement, leave of absence, termination of temporary appointment, or caused by the decease or suspension of any employee, or the organization of a new class or classes, and to perform such other duties necessary for the operation of the public-school system as may be authorized by the Board of Education, provisionally and until the next regular meeting of the Board of Education.

SEC. 2. That the authority conferred on the superintendent of schools by this act shall, during his authorized absence, devolve on the person designated as acting superintendent of schools.

SEC. 3. All laws or parts of laws inconsistent with the provisions of this act be, and the same are hereby, repealed.

Mrs. NORTON. Mr. Speaker, the purpose of this bill is to delegate to the superintendent of schools the power to make provisional appointment between meetings of the Board of Education. As it is now they must be appointed from a list of eligibles of civil-service employees. This bill is merely to provide against any interruption of the school system by unfilled vacancies. If there is no opposition to the bill, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote whereby the bill was passed, was laid on the table.



## TO AMEND DISTRICT OF COLUMBIA CODE

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 3634) to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122).

The Clerk read the bill as follows:

*Be it enacted, etc.,* That section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122), be, and the same is hereby, amended by striking out the words "clear annual income from which shall not exceed in value \$25,000," and inserting in lieu thereof the following: "income from which shall be applied to the purposes of such society."

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

## NAMING OF MONTGOMERY BLAIR PORTAL

Mrs. NORTON. Mr. Speaker, I call up joint resolution (S. J. Res. 4) to provide for the naming of Montgomery Blair Portal.

The Clerk read the joint resolution, as follows:

*Resolved, etc.,* That the portion of Sixteenth Street and the adjacent park reservation lying within the District of Columbia at the intersection of Sixteenth Street, North Portal Drive, Eastern Avenue, and the District line, shall be known as Montgomery Blair Portal, in commemoration of the public service of the late Montgomery Blair, Postmaster General in the Cabinet of President Lincoln.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

## OFFICERS OF INSURANCE CORPORATIONS

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 8991) to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Laws of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes, which I send to the desk and ask to have read.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the committee amendment be read in place of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.,* That Chapter XVIII of the Code of Laws for the District of Columbia be, and the same is hereby, amended by adding thereto a new section, which shall provide—

"That any corporation now or hereafter formed or organized under any provision of law in force and effect in the District of Columbia to engage in an insurance business shall maintain its principal office within said District and shall keep its books, records, and files therein, and shall not remove from said District either its principal office or its books, records, or files without the permission of the Commissioners of the District of Columbia first had and obtained: *Provided, however,* That nothing herein contained shall be construed to apply to the books, records, and files of any such corporation which books, records, and files relate solely to the business transacted by the said branch-office agency.

"Any corporation violating any of the provisions hereof shall forthwith forfeit its charter, which forfeiture shall operate as a revocation of its license to do business within said District.

"Any officer, agent, or employee of any such corporation who shall violate any of the provisions hereof shall be guilty of a misdemeanor and upon conviction shall pay a fine of not less than \$300 or be imprisoned for not more than 90 days, or by both such fine and imprisonment. All prosecutions hereunder shall be upon information filed in the police court of the District of Columbia in the name of the District of Columbia by the corporation counsel thereof or any of his assistants."

The SPEAKER. A similar Senate bill, S. 3584, is on the Speaker's table.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Senate bill be substituted for the House bill.

The SPEAKER. Is there objection to the Senate bill being considered with the House amendment pending?

There was no objection.

The Senate bill is as follows:

*Be it enacted, etc.,* That Chapter XVIII of the Code of Law for the District of Columbia be, and the same hereby is, amended by adding thereto a new section, which shall provide—

"That hereafter any corporation formed or organized under the provisions of Chapter XVIII of the Code of Law for the District of Columbia to engage in an insurance business, either under the

provisions of Subchapter V or Subchapter XII thereof, shall maintain its principal office and place of business within said District and shall keep its books, records, and files therein and shall not remove from said District either its principal office and place of business or its books, records, or files without the permission of the Commissioners of the District of Columbia first had and obtained: *Provided, however,* That nothing herein contained shall be construed to apply to the books, records, and files of any such corporation kept in a branch-office agency of such corporation which books, records, and files relate solely to the business transacted by said branch-office agency.

"Any corporation violating any of the provisions hereof shall forthwith forfeit its charter, which forfeiture shall operate as a revocation of its license to do business within said District.

"Any officer, agent, or employee of any such corporation who shall violate any of the provisions hereof shall be guilty of a misdemeanor and, upon conviction, shall pay a fine of not less than \$300 or be imprisoned for not more than 90 days, or both such fine and imprisonment. All prosecutions hereunder shall be upon information filed in the police court of the District of Columbia in the name of the District of Columbia by the corporation counsel thereof or any of his assistants."

The SPEAKER. The question is on agreeing to the amendment on the Senate bill.

The amendment was agreed to; and the Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 8991) was laid on the table.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the Senate bill was passed was laid on the table.

## FALSE SWEARING BEFORE TRIAL BOARDS, METROPOLITAN POLICE FORCE, ETC.

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 5321) to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan Police Force and Fire Department of the District of Columbia, and for other purposes,' approved May 11, 1892," which I send to the desk and ask to have read.

The SPEAKER. An identical Senate bill, S. 2078, is on the Speaker's table. Does the gentlewoman from New Jersey desire to consider the Senate bill?

Mr. STAFFORD. Mr. Speaker, before that is taken up, will the gentlewoman from New Jersey yield?

Mrs. NORTON. Yes.

Mr. STAFFORD. I direct the attention of the House to the fact, and inquire of the gentlewoman from New Jersey, or of the gentleman who reported the bill, as to the change of law in not requiring witness fees to be tendered in advance. The existing law provides that the witness fee shall be tendered in advance. The last clause of section 1 of the bill excepts that requirement. What is the reason for excepting the present provision of law requiring payment of witness fees in advance?

Mr. PALMISANO. The gentleman will note that this is in reference to witnesses testifying before a board of the police department and a board of the fire department.

Mr. STAFFORD. I am very well acquainted with the purpose of the bill. I studied it before it was presented for consideration on the floor of the House. The bill changes existing law in not requiring witness fees to be paid in advance, and I would like to know the reason for making that change.

Mr. PALMISANO. No question ever arose as to fees.

Mr. STAFFORD. Here you are compelling a witness to leave his business, possibly, upon the subpoena of the Supreme Court of the District, without payment of fees in advance. What is the reason for changing that law?

Mr. PALMISANO. As I understand it, the bill gives the right to the police board and to the fire board to summon witnesses and to produce papers. If they testify falsely or refuse, they are subject to punishment.

Mr. STAFFORD. Mr. Speaker, with the illuminating information that does not answer my question, I shall not pursue gaining information further.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2078) be substituted for the House bill.

The SPEAKER. Is there objection?

There was no objection.



The Clerk read the Senate bill, as follows:

*Be it enacted, etc.,* That the act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before the trial board of the Metropolitan Police Force and Fire Department of the District of Columbia, and for other purposes,' approved May 11, 1892," is hereby amended to read as follows:

"SECTION 1. That hereafter any trial board of the Metropolitan Police Force or the Fire Department of the District of Columbia shall have the power to issue subpoenas in the name of the chief justice of the Supreme Court of the District of Columbia to compel witnesses to appear and testify and/or to produce all books, records, papers, or documents before said trial board: *Provided*, That witnesses other than those employed by the District of Columbia subpoenaed to appear before said trial board shall be entitled to the same fees as are paid witnesses for attendance before the Supreme Court of the District of Columbia, but said fees need not be tendered said witnesses in advance of their appearing and testifying and/or producing books, records, papers, or documents before said trial board.

"Sec. 2. That if any witness having been personally summoned shall neglect or refuse to obey the subpoena issued as herein provided, then and in that event the chairman of the trial board may report that fact to the Supreme Court of the District of Columbia or one of the justices thereof, and said court, or any justice thereof, hereby is empowered to compel obedience to said subpoena to the same extent as witnesses may be compelled to obey the subpoenas of that court.

"Sec. 3. That any willful false swearing on the part of any witness before any trial board mentioned in the preceding sections as to any material fact shall be deemed perjury and shall be punished in the manner prescribed by law for such offense.

"Sec. 4. On and after the passage of this act each member of existing trial boards, and members hereafter appointed shall take an oath to be administered by the chief clerk of the police department for the faithful and impartial performance of the duties of the office."

The bill was ordered to be read a third time, was read the third time, and passed; and a motion to reconsider laid on the table.

#### STANDARD WEIGHTS AND MEASURES IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 461) to amend section 18 of the act entitled "An act to establish weights and measures in the District of Columbia; to define the duties of the superintendent of weights, measures, and markets for the District of Columbia; and for other purposes, which I send to the desk and ask to have read.

The Clerk read as follows:

*Be it enacted, etc.,* That section 18 of the act entitled "An act to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia; and for other purposes," approved March 3, 1921, be, and the same hereby is, amended by changing the period at the end of said section 18 to a colon, and adding thereto the following:

"*Provided, however,* That ice cream, sherberts, water ices, and similar frozen foods may be sold in 2½-gallon measures of 577.5 cubic inches."

With the following committee amendment:

Page 2, line 4, strike out "seventy-five" and insert "seventy-seven."

Mr. BUSBY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. Evidently there is not.

Mrs. NORTON. Mr. Speaker, I move a call of the House. The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 49]

Abernethy	Carden	Corning	Eaton, N. J.
Bachmann	Carley	Crowe	Elzey
Eaton	Cary	Dallinger	Erk
Beam	Chapman	Davenport	Estep
Beck	Chase	Davis	Evans, Mont.
Beedy	Chindblom	De Priest	Fiesinger
Beers	Christopherson	Dickstein	Fish
Black	Clark, N. C.	Dieterich	Free
Bland	Cochran, Pa.	Disney	Freeman
Boylan	Cole, Iowa	Doughton	French
Britten	Collier	Douglas, Ariz.	Fuller
Brumm	Connery	Douglass, Mass.	Fulmer
Brunner	Connolly	Doutrich	Gavagan
Burtress	Cooke	Drewry	Gilbert
Canfield	Cooper, Ohio	Dyer	Golder

Goldsborough	Kelly, Ill.	Peavey	Sullivan, Pa.
Gregory	Kennedy	Purnell	Sweeney
Griffin	Knutson	Ramspeck	Taylor, Colo.
Griswold	Kunz	Reid, Ill.	Tierney
Guyer	Kurtz	Reilly	Treadway
Hall, Miss.	Lichtenwalner	Rogers, Mass.	Tucker
Hancock, N. C.	Lovette	Sabath	Turpin
Hare	Lozier	Sanders, N. Y.	Underwood
Hart	McFadden	Schuetz	Vinson, Ky.
Hastings	McLeod	Selvig	Watson
Holaday	Mansfield	Shott	Weaver
Holmes	Mead	Shreve	Welsh, Pa.
Hornor	Montague	Simmons	White
Houston, Del.	Montet	Somers, N. Y.	Whittington
Howard	Moore, Ky.	Sparks	Wigglesworth
Hull, William E.	Moore, Ohio	Spence	Williamson
Igoe	Murphy	Stevenson	Wilson
Jeffers	Nelson, Wis.	Stewart	Wolfenden
Jenkins	Oliver, N. Y.	Stokes	Wood, Ind.
Johnson, Ill.	Overton	Strong, Kans.	Woodrum
Johnson, S. Dak.	Parker, N. Y.	Strong, Pa.	Wyant
Johnson, Wash.	Patterson	Sullivan, N. Y.	Yates

The SPEAKER. Two hundred and eighty-three Members have answered to their names; a quorum is present.

Mr. RAINEY. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON a motion to reconsider the vote by which the bill was passed was laid on the table.

Mrs. NORTON. Mr. Speaker, I would like to make an announcement at this time. There seems to have developed considerable opposition to House bill 9144. It is the so-called amendment of the act regulating employment of minors in the District. I would suggest removing this bill from the calendar to-day and passing it over without prejudice.

Mr. STAFFORD. Will the lady from New Jersey yield for a question?

Mrs. NORTON. I will be glad to yield.

Mr. STAFFORD. I have been told that House bill 10488 is not going to be called up to-day.

Mrs. NORTON. And I would be very glad to pass that over to-day. I understand there are several gentlemen here who are in opposition to both of these bills and who would like to have them passed over for the day.

Mr. BANKHEAD. As I understand, Mr. Speaker, it is not necessary to have a formal order. The lady from New Jersey has the privilege of calling up any bill reported by her committee that she desires.

The SPEAKER. The gentlewoman from New Jersey has the privilege of calling up any bill she desires that has been reported by her committee.

Mrs. NORTON. I simply wanted to make the announcement for the benefit of those Members who would like to leave this afternoon and possibly go to the ball game.

#### SALE OF WATER TO SUBURBAN COMMUNITIES BY THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 3222) to amend an act approved March 3, 1917, known as the District of Columbia appropriation act for the year ending June 30, 1918.

The SPEAKER. The gentlewoman from New Jersey calls up a bill, which the Clerk will report.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 3222).

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 3222, Mr. PARKS in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill S. 3222, which the Clerk will report.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.



The CHAIRMAN. Is there objection to the request of the lady from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Chairman, this measure simply seeks to amend the provision of the appropriation act above referred to and authorize the Commissioners of the District of Columbia to supply water to the Washington Suburban Sanitary Commission to a maximum of 3,000,000 gallons daily at four designated points.

I do not anticipate any opposition to the bill. It has the indorsement of the Commissioners of the District; and the bill, I think, explains itself.

Mr. STAFFORD. Mr. Chairman, will the lady yield?

Mrs. NORTON. Gladly.

Mr. STAFFORD. While this bill is an amendment of the act we passed 15 years ago, I wonder whether the rates that are prescribed in the organic act of cost plus 4 per cent with an allowance for depreciation really is compensatory to the District?

Mrs. NORTON. I will say to the gentleman that it has been approved by the Commissioners of the District.

Mr. STAFFORD. I am quite well aware that the report shows that the commissioners approved it, but I am seeking information additional to the bare approval by the Commissioners as shown in the report.

May I inquire if the lady knows whether the suburban communities adjoining the District have any water systems of their own, or are they dependent entirely upon the water system of the District for their supply?

Mrs. NORTON. Yes; they have water systems of their own but not sufficient to at all times take care of their needs. They are perfectly satisfied with this rate.

Mr. STAFFORD. There is no question of their satisfaction, because the charge is cost plus 4 per cent on the investment. There is no question but they would be satisfied; they are more than satisfied.

They are not only satisfied with the water rates that we charge but they are satisfied with the free instruction in the schools of the District. Naturally they are satisfied with receiving something for nothing.

Mrs. NORTON. If they are satisfied, if the District Commissioners are satisfied, and if there has been no opposition to the bill, why should we consider that it is not perfectly satisfactory to pass the bill?

Mr. STAFFORD. For the reason that the rates are not compensatory. The residents of the District are complaining all the while at the growing expenditures of the District without any voice to protest against them. You can not borrow money at 4 per cent, and we are charging these people, who live adjoining the District and who have no obligations in support of the District, 4 per cent, and money can not be borrowed by the District of Columbia at that rate to-day.

Mr. GAMBRILL. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. GAMBRILL. The rates established are the same to-day as fixed in 1915, but the gentleman from Wisconsin will recognize the fact that the water is supplied at actual cost at the point of connection in the mains, so that the cost is the same to the District of Columbia as it was in 1915. It is the actual cost of furnishing the water, plus 4 per cent interest, together with a certain amount for depreciation. The Washington Suburban Sanitary Commission has a water supply of its own, with a capacity of about 5,000,000 gallons a day, but that is not sufficient at the present time, so that it is necessary to make water connections at these outlying suburban sections where it is desirable to furnish water at the present time.

Mr. STAFFORD. As I understand, the main purpose of this bill is to supply water to little communities where there are 10 or 12 houses. Under the existing law there is provision to supply water at four designated points, and this is to lift that limitation and to enable the District Commissioners to supply water to these small communities which have not reached the proportions of a community settle-

ment, and to lift the maximum limit that may be supplied in times of need.

Mr. GAMBRILL. That is a correct statement of the case.

Mr. STAFFORD. The thought occurred to me that 4 per cent was not compensatory to the District for the service it is rendering.

Mr. GAMBRILL. That is 4 per cent interest.

Mr. STAFFORD. I realize that. Mr. Chairman, I will not pursue the inquiry any further. However, I did think we ought to receive, in these times when the cost of money is much higher than it was when the law was passed in 1917, a higher rate of interest than the bill provides.

The Clerk read the bill for amendment as follows:

*Be it enacted, etc.,* That the provisions of the District of Columbia appropriation act for the year ending June 30, 1918, relating to the supply of water for the Washington Suburban Sanitary Commission by the Commissioners of the District of Columbia, is hereby repealed and reenacted so as to read as follows:

"For the protection of the health of the residents of the District of Columbia and the employees of the United States Government residing in Maryland near the District of Columbia boundary, the Commissioners of the District of Columbia, upon the request of the Washington Suburban Sanitary Commission, a body corporate, established by chapter 313 of the acts of 1916 of the State of Maryland, or upon the request of its legally appointed successor, are hereby authorized to deliver water from the water-supply system of the District of Columbia to said Washington Suburban Sanitary Commission or its successor for distribution to territory in Maryland within the Washington Suburban Sanitary District as designated in the aforesaid act, or any amendment thereto, and to connect District of Columbia water mains with water mains in the State of Maryland at such points at or near the District of Columbia line as may be agreed upon from time to time by the Commissioners of the District of Columbia and the Washington Suburban Sanitary Commission, under the conditions hereinafter named, namely:

"That before such connections shall be made the said Washington Suburban Sanitary Commission or its legally appointed successor shall secure authority from the Legislature of the State of Maryland to enter into an agreement with the said Commissioners of the District of Columbia outlining the conditions under which the service is to be rendered.

"The agreement between the Commissioners of the District of Columbia and the said Washington Suburban Sanitary Commission or its legally appointed successor shall provide, among other things—

"First. That the meters on each of said connections shall be located within the District of Columbia and shall remain under the jurisdiction of the Commissioners of the District of Columbia.

"Second. The rates at which water will be furnished, said rates to be based on the actual cost to the United States and the District of Columbia of delivering water to the points designated above, including an interest charge at 4 per cent per annum and a suitable allowance for depreciation.

"Third. That payments for water so furnished shall be made through the collector of taxes of the District of Columbia at such times as the Commissioners of the District of Columbia may direct, said payments to be deposited in the Treasury of the United States as other water rents now collected in the District of Columbia are deposited.

"Fourth. That at no time shall the amount of water furnished the said Washington Suburban Sanitary Commission or its successor exceed the amount that can be spared without jeopardizing the interests of the United States or of the District of Columbia.

"Fifth. That the Commissioners of the District of Columbia shall have at all times the right to investigate the distribution system in Maryland, and if, in their opinion, there is a wastage of water they shall have the right to curtail the supply to said sanitary district to the amount of such wastage."

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. When the occupant of the chair, who usually insists on having a quorum present, finds himself proceeding with business without a quorum does he himself have the right to require a quorum to be present?

The CHAIRMAN. I assume the Chair could do it, but as long as nobody raises any objection we will proceed without it.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. PARKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill



(S. 3222) to amend an act approved March 3, 1917, known as the District of Columbia appropriation act for the year ending June 30, 1918, and had directed him to report the same back to the House with the recommendation that the bill do pass.

Mrs. NORTON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON a motion to reconsider the vote by which the bill was passed was laid on the table.

#### USE OF PISTOLS AND OTHER DANGEROUS WEAPONS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 8754) to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, and to provide penalties, to prescribe rules of evidence, and for other purposes.

The SPEAKER. The lady from New Jersey calls up a bill which the Clerk will report.

The Clerk read the bill as follows:

*Be it enacted, etc.*

#### DEFINITIONS

SECTION 1. "Pistol," as used in this act, means any firearm with a barrel less than 12 inches in length.

"Machine gun," as used in this act, means any firearm which shoots automatically or semiautomatically more than 12 shots without reloading.

"Person," as used in this act, includes, individual, firm, association or corporation.

"Sell" and "purchase" and the various derivatives of such words, as used in this act, shall be construed to include letting on hire, giving, lending, borrowing, and otherwise transferring.

"Crime of violence" as used in this act, means any of the following crimes, or an attempt to commit any of the same, namely: Murder, manslaughter, rape, mayhem, maliciously disfiguring another, abduction, kidnaping, burglary, housebreaking, larceny, any assault with intent to kill, commit rape, or robbery, assault with a dangerous weapon, or assault with intent to commit any offense punishable by imprisonment in the penitentiary.

#### COMMITTING CRIME WHEN ARMED

SEC. 2. If any person shall commit a crime of violence when armed with or having readily available any pistol or other firearm, he may, in addition to the punishment provided for the crime, be punished by imprisonment for a term of not more than five years; upon a second conviction for a crime of violence so committed he may, in addition to the punishment provided for the crime, be punished by imprisonment for a term of not more than 10 years; upon a third conviction for a crime of violence so committed he may, in addition to the punishment provided for the crime, be punished by imprisonment for a term of not more than 15 years; upon a fourth or subsequent conviction for a crime of violence so committed he may, in addition to the punishment provided for the crime be punished by imprisonment for an additional period of not more than 30 years.

#### PERSONS FORBIDDEN TO POSSESS CERTAIN FIREARMS

SEC. 3. No person who has been convicted in the District of Columbia or elsewhere of a crime of violence shall own or have in his possession a pistol.

#### CARRYING PISTOL

SEC. 4. No person shall carry a pistol in any vehicle, or concealed on or about his person, except in his dwelling house or place of business or on other land possessed by him, without a license therefore issued as hereinafter provided.

#### EXCEPTIONS

SEC. 5. The provisions of the preceding section shall not apply to marshals, sheriffs, prison or jail wardens, or their deputies, policemen or other duly appointed law-enforcement officers, or to members of the Army, Navy, or Marine Corps of the United States or of the National Guard or Organized Reserves when on duty, or to the regularly enrolled members of any organization duly authorized to purchase or receive such weapons from the United States, provided such members are at or are going to or from their places of assembly or target practice, or to officers or employees of the United States duly authorized to carry a concealed pistol, or to any person engaged in the business of manufacturing, repairing, or dealing in firearms, or the agent or representative of any such person having in his possession, using, or carrying a pistol in the usual or ordinary course of such business or to any person while carrying a pistol unloaded and in a secure wrapper from the place of purchase to his home or place of business or to a place of repair or back to his home or place of business or in moving goods from one place of abode or business to another.

#### ISSUE OF LICENSES TO CARRY

SEC. 6. The superintendent of police of the District of Columbia may, upon the application of any person having a bona fide residence or place of business within the District of Columbia or of

any person having a bona fide residence or place of business within the United States and a license to carry a pistol concealed upon his person issued by the lawful authorities of any State or subdivision of the United States, issue a license to such person to carry a pistol within the District of Columbia for not more than one year from date of issue, if it appears that the applicant has good reason to fear injury to his person or property or has any other proper reason for carrying a pistol and that he is a suitable person to be so licensed. The license shall be in duplicate, in form to be prescribed by the Commissioners of the District of Columbia, and shall bear the name, address, description, photograph, and signature of the licensee and the reason given for desiring a license. The original thereof shall be delivered to the licensee, and the duplicate shall be retained by the superintendent of police of the District of Columbia and preserved in his office for six years.

#### SELLING TO MINORS AND OTHERS

SEC. 7. No person shall sell any pistol to a person who he has reasonable cause to believe is not of sound mind, or is a drug addict, or is a person who has been convicted in the District of Columbia or elsewhere of a crime of violence or, except when the relation of parent and child or guardian and ward exists, is under the age of 18 years.

#### TRANSFERS REGULATED

SEC. 8. No seller shall deliver a pistol to the purchaser thereof until 48 hours shall have elapsed from the time of the application for the purchase thereof, and, when delivered, said pistol shall be securely wrapped and shall be unloaded. At the time of applying for the purchase of a pistol the purchaser shall sign in duplicate and deliver to the seller a statement containing his full name, address, occupation, color, fingerprints, place of birth, the date and hour of application, the caliber, make, model, and manufacturer's number of the pistol to be purchased, and a statement that he has never been convicted in the District of Columbia or elsewhere of a crime of violence. The seller shall, within six hours after such application, sign and attach his address and deliver one copy to such person or persons as the superintendent of police of the District of Columbia may designate, and shall retain the other copy for six years. This section shall not apply to sales at wholesale to licensed dealers.

#### DEALERS TO BE LICENSED

SEC. 9. No retail dealer shall sell or expose for sale or have in his possession with intent to sell, any pistol, without being licensed as hereinafter provided.

#### DEALERS' LICENSES, BY WHOM GRANTED AND CONDITIONS THEREOF

SEC. 10. The Commissioners of the District of Columbia may grant licenses and may prescribe the form thereof, effective for not more than one year from date of issue, permitting the licensee to sell pistols at retail within the District of Columbia subject to the following conditions in addition to those specified in section 9 hereof, for breach of any of which the license shall be subject to forfeiture and the licensee subject to punishment as provided in this act.

1. The business shall be carried on only in the building designated in the license.

2. The license or a copy thereof, certified by the issuing authority, shall be displayed on the premises where it can be easily read.

3. No pistol shall be sold (a) if the seller has reasonable cause to believe that the purchaser is not of sound mind or is a drug addict or has been convicted in the District of Columbia or elsewhere of a crime of violence or is under the age of 18 years, and (b) unless the purchaser is personally known to the seller or shall present clear evidence of his identity.

4. A true record in duplicate shall be made of every pistol sold, said record to be made in a book kept for the purpose, the form of which may be prescribed by the Commissioners of the District of Columbia, and shall be personally signed by the purchaser and by the person effecting the sale, each in the presence of the other, and shall contain the date of sale, the caliber, make, model, and manufacturer's number of the weapon, the name, address, occupation, color, and place of birth of the purchaser, and a statement signed by the purchaser that he has never been convicted in the District of Columbia or elsewhere of a crime of violence. One copy of said record shall, within seven days, be forwarded by mail to the superintendent of police of the District of Columbia and the other copy retained by the seller for six years.

5. No pistol or imitation thereof or placard advertising the sale thereof shall be displayed in any part of said premises where it can readily be seen from the outside. No license to sell at retail shall be granted to anyone except as provided in this section.

#### FALSE INFORMATION FORBIDDEN

SEC. 11. No person shall, in purchasing a pistol or in applying for a license to carry the same, give false information or offer false evidence of his identity.

#### ALTERATION OF IDENTIFYING MARKS PROHIBITED

SEC. 12. No person shall change, alter, remove, or obliterate the name of the maker, model, manufacturer's number, or other mark or identification on any pistol. Possession of any pistol upon which any such mark shall have been changed, altered, removed, or obliterated shall be prima facie evidence that the possessor has changed, altered, removed, or obliterated the same: *Provided, however,* That nothing contained in this section shall apply to any officer or agent of any of the departments of the United States or the District of Columbia engaged in experimental work.



## EXCEPTIONS

Sec. 13. This act shall not apply to toy or antique pistols unsuitable for use as firearms.

## POSSESSION OF CERTAIN DANGEROUS WEAPONS

Sec. 14. No person shall within the District of Columbia possess any machine gun, tear-gas gun, or tear-gas bomb, or any instrument or weapon of the kind commonly known as a blackjack, slung shot, billy, sand club, sandbag, or metal knuckles, nor any instrument, attachment, or appliance for causing the firing of any firearm to be silent or intended to lessen or muffle the noise of the firing of any firearms: *Provided, however,* That machine guns, tear-gas guns, tear-gas bombs, blackjacks, and billys may be possessed by any foreign government, the members of the Army, Navy, or Marine Corps of the United States, the National Guard, or Organized Reserves when on duty, the Post Office Department or its employees when on duty, marshals, sheriffs, prison or jail wardens, or other deputies, policemen, or other duly appointed law-enforcement officers, officers or employees of the United States duly authorized to carry such weapons, banking institutions, and public carriers who are engaged in the business of transporting mail, money, securities, or other valuable.

## PENALTIES

Sec. 15. Any violation of any provision of this act for which no penalty is specifically provided shall be punished by a fine of not more than \$1,000 or imprisonment for not more than one year, or both.

## CONSTITUTIONALITY

Sec. 16. If any part of this act is for any reason declared void, such invalidity shall not affect the validity of the remaining portions of this act.

## CERTAIN ACTS REPEALED

Sec. 17. The following sections of the Code of Law for the District of Columbia, 1919, namely, sections 855, 856, and 857, and all other acts or parts of acts inconsistent herewith, are hereby repealed.

With the following committee amendment:

Page 2, line 17, after the word "violence," insert the words "in the District of Columbia."

The committee amendment was agreed to.

Page 3, line 10, after the word "pistol," insert the words "within the District of Columbia."

Mr. STAFFORD. Will the lady from New Jersey yield?

Mrs. NORTON. Gladly.

Mr. STAFFORD. I am making a general inquiry about the provisions of the bill. Under existing law, as shown by the report, the penalties for carrying concealed weapons are very minor, a fine of not less than \$50 or more than \$500, or imprisonment not exceeding one year, or both. In the proposed bill you seek to put in some very drastic penalties for persons who offend in the carrying of concealed weapons, 5 years upon conviction for the first offense, 10 years for the second, 15 years for the third, and 30 years for the fourth. Did the committee, in recommending these drastic penalties, follow any other State law, or was it merely the recommendation of some law-enforcement society that favored these ultrapunitive provisions?

Mrs. NORTON. I may say to the gentleman that this follows the law of several of the States, and the gentleman from Maryland [Mr. PALMISANO] desires to be heard on that point.

Mr. PALMISANO. Mr. Speaker, the object of the law is to punish those who have a weapon and commit a felony. It does not apply to a person carrying a concealed weapon as it does to one who commits a felony with the concealed weapon.

Mr. STAFFORD. Yes; I agree with the gentleman that that is the provision.

Mr. PALMISANO. In Maryland we recently enacted a law and raised the time of imprisonment from 10 years to 20 years, not for the third or fourth offense but the first offense.

Mr. STAFFORD. As I understand, that is the maximum penalty.

Mr. PALMISANO. Yes. Here there is a series of crimes, and I do not think anyone would ever obtain 20 years for a fourth offense, because he would be imprisoned the best part of the time and would have no chance, after he served 5, 10, and 15 years, to commit the fourth offense.

Mr. STAFFORD. The gentleman thinks he will be buried from the penitentiary before he will be given an opportunity to commit the crime of assault with the intent of doing

great bodily harm and found to be carrying a concealed weapon also.

Mr. PALMISANO. The gentleman from Wisconsin will realize that in the last 10 years we have had a considerable number of holdups of banks with machine guns, and so forth, and the object of this bill, as I understand, is to have a uniform pistol law throughout the country.

Mr. STAFFORD. The purpose of my inquiry is to find out whether this is to be a model law for other jurisdictions to follow.

Mr. PALMISANO. Yes; that is the case.

Mr. STAFFORD. And may I inquire whether other jurisdictions have enacted similar legislation to the provisions embodied in this bill?

Mr. PALMISANO. I am unable to answer that question, but, as I have stated, Maryland has a much more stringent law than the pending bill.

Mr. BANKHEAD. If the gentleman will permit, I am wondering if a machine gun could be concealed about the person.

Mr. SMITH of Virginia. The bill makes the possession of the machine gun unlawful.

Mr. BANKHEAD. The possession rather than the concealment of the machine gun?

Mr. STAFFORD. Yes; even in the case of a person committing such a crime with the aid of an automobile; in the automobile there might be a machine gun or a sawed-off gun, and the bill would extend to that character of crime.

Mr. GOSS. Wherein would this bill apply to a sawed-off shotgun? I do not see that it applies to that at all.

Mr. PALMISANO. I think it does.

Mr. GOSS. In the first section, on the first page, you define "pistol" and in the next paragraph you define "machine gun," but not a sawed-off shotgun.

Mr. PALMISANO. I think that would be included in the term "pistol."

Mr. GOSS. I think it would be well if the committee offered amendments so as to include the sawed-off shotgun.

Mr. PALMISANO. I think that is included in the definitions in the first section.

Mr. STAFFORD. The gentleman is referring to the fact that "pistol" is defined in that section as meaning any firearm with a barrel less than 12 inches in length.

Mr. GOSS. You might have a sawed-off shotgun 14 inches long, and that would get by under this bill.

Mr. PALMISANO. I may state to the gentleman that I am not familiar with firearms, but the people interested in this bill are supposed to be experts along this line.

Mr. GOSS. I am suggesting to the gentleman that he offer a committee amendment to include sawed-off guns.

Mr. PALMISANO. We have no objection to that.

Mr. GOSS. Now, may I ask another question of the gentleman? Is there anything in the bill to prohibit the sale of ammunition of any kind?

Mr. PALMISANO. I think not.

Mr. GOSS. Will the gentleman offer the suggested amendment as a committee amendment?

Mr. STAFFORD. May we proceed with the reading of the other committee amendments, so that we may have time to prepare the amendment?

Mr. GOSS. Yes.

The committee amendment was agreed to.

## LEGISLATIVE APPROPRIATION BILL

Mr. SANDLIN. Mr. Speaker, by direction of the Committee on Appropriations, I submit a privileged report on the bill (H. R. 11267, Rept. No. 1036) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

Mr. MAPES. Mr. Speaker, I reserve all points of order on the bill.

The SPEAKER. Referred to the Union Calendar and ordered printed.

## VETERANS' LEGISLATION

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record, and to include therein a



resolution by the Democratic committee of my State for additional beds in hospitals.

The SPEAKER pro tempore (Mr. PARKS). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, in my opinion it is highly important that additional beds be provided at this session of Congress for United States Veterans' Hospital No. 63, at Lake City, Fla. Ill veterans are now having to wait, in some cases many weeks and even months, in order to obtain admission to this hospital. The facilities are entirely too limited to enable the hospital and bureau officials to provide care for all cases.

I have introduced H. R. 9969, which provides for appropriation to add 200 additional beds to this institution. It is in the hands of the House Committee on World War Veterans' Legislation. I urge all Members who are interested in the welfare of the veterans to cooperate in the report and passage of the bill. My colleagues are all interested in needed legislation for our veterans, and this is a most worthy bill. Veterans from all States will receive benefits from this appropriation, because so many Floridians are natives of other States. Hundreds of veterans, born in other States, now reside in Florida and are urging this legislation. The need is acute. I include herewith resolutions recently adopted by the Democratic committee of my State urging passage of the bill.

#### Resolution

Whereas it has become a matter of common knowledge that the demands for hospitalization on the part of disabled former service men in the United States Veterans' Bureau Hospital No. 63, located in Lake City, Fla., far exceed the capacity of the splendid institution; and

Whereas the American Legion, Department of Florida, at its last State convention, did go on record unanimously in requesting the Veterans' Bureau to enlarge Hospital No. 63 by at least 200 beds; and

Whereas it has been publicly announced on various occasions that it was the intention of the Veterans' Bureau to enlarge and otherwise improve the physical plant of aforesaid hospital: It is

*Resolved*, That the Chamber of Commerce of Lake City, Fla., does hereby join with the Columbia County Post, American Legion, the Commission of the City of Lake City, and other civic organizations of this community and of the State in urging the immediate enlargement of the United States Veterans' Bureau Hospital No. 63 in Lake City, Fla.; and it is further

*Resolved*, That copy of this resolution be furnished the heads of the United States Veterans' Bureau, the Florida delegation in Congress, as well as others interested in providing needed benefits for former service men.

C. L. MORRISON,  
Dr. R. B. HARKNESS,  
FRED H. YOUNG,  
E. A. McCLOSKEY,  
T. P. JORDAN,  
WALTER HACKNEY,  
C. C. CODRINGTON,  
*Directors.*

*Be it resolved by the State Democratic Executive Committee of the State of Florida*, That we indorse the above resolution and request our Senators and Representatives in Congress to use their best efforts to secure the improvements to the veterans' hospital at Lake City as sought by above resolution.

#### CERTIFICATE

We, the chairman and secretary, respectively, of the State Democratic executive committee, do hereby certify that the above is a true and correct copy of a resolution properly introduced and passed at the recent meeting of said committee held in Jacksonville, Fla., on February 19, 1932.

J. B. HODGES, *Chairman.*

Attest:

GEORGE WHITFIELD McRORY, *Secretary.*

#### USE OF PISTOLS AND OTHER DANGEROUS WEAPONS IN THE DISTRICT OF COLUMBIA

The Clerk, proceeding with the reading of the committee amendments, read as follows:

Page 3, beginning on line 12, strike out lines 12, 13, 14, 15, and 16 and insert:

"Sec. 4. No person shall within the District of Columbia carry concealed on or about his person, except in his dwelling house or place of business or on other land possessed by him, a pistol, without a license therefor issued as hereinafter provided, or any deadly or dangerous weapon."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 5, line 16, after the word "shall," insert "within the District of Columbia."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 5, line 24, after the word "shall," insert "within the District of Columbia."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 6, line 2, after the word "thereof," insert "except in the case of sales to marshals, sheriffs, prison or jail wardens or their deputies, policemen, or other duly appointed law-enforcement officers."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 6, line 9, after the word "color," strike out the word "fingerprints."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 6, line 18, after the word "years," insert "no machine gun or black-jack shall be sold to any person other than the person designated in section 14 hereof as entitled to possess the same, and then only after permission to make such sale has been obtained from the Superintendent of Police of the District of Columbia."

Mr. STAFFORD. Mr. Speaker, I understand it is agreeable to the committee to broaden the law, so as not only to include pistols but any weapon which is commonly designated as a sawed-off shotgun.

Mrs. NORTON. That is true.

Mr. STAFFORD. If such is the fact, I think it would be advisable, before we proceed with the consideration of the present amendment, to offer an amendment to section 1, first paragraph, describing what is meant by pistol. I believe the gentleman from Virginia [Mr. SMITH] has prepared an amendment inserting the words "or any weapon commonly designated as a sawed-off shotgun regardless of length." Would that amendment be agreeable to the lady from New Jersey?

Mrs. NORTON. It would.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent for the time being to withdraw consideration of the pending amendment and offer the following.

The Clerk read as follows:

Page 1, line 5, after the word "length," insert "or any weapon commonly designated as sawed-off shotgun regardless of length."

The amendment was agreed to.

The pending committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 7, line 2, after the word "shall," insert the words "within the District of Columbia."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 7, line 4, after the word "pistol," insert "machine gun or black-jack."

The committee amendment was agreed to.

The Clerk read as follows:

Page 7, line 12, after the word "may," insert "in their discretion."

The amendment was agreed to.

The Clerk read as follows:

Page 7, line 14, after the word "pistols," insert "machine guns, and black-jacks."

The amendment was agreed to.

The Clerk read as follows:

Page 8, line 7, after the word "identity," insert: "No machine gun or black-jack shall be sold to any person other than the person designated in section 14 hereof as entitled to possess the same, and then only after permission to make such sale has been obtained from the superintendent of police of the District of Columbia."

"4. A true record shall be made in a book kept for the purpose, the form of which may be prescribed by the commissioners, of all pistols and machine guns in the possession of the licensee, which



said record shall contain the date of purchase, the caliber, make, model, and manufacturer's number of the weapon, to which shall be added, when sold, the date of sale."

The amendment was agreed to.

The Clerk read as follows:

Page 8, line 19, strike out the figure "4" and insert the figure "5."

The amendment was agreed to.

The Clerk read as follows:

Page 8, line 20, after the word "pistol," insert "machine gun, and black-jack."

Mr. GOSS. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. Yes.

Mr. GOSS. In that paragraph would it not be well to include sawed-off shotguns?

Mr. STAFFORD. No; for this reason. As pointed out by the gentleman from Virginia [Mr. SMITH], we describe what a pistol is in the descriptive clause, and say that it shall include any weapon known as a sawed-off shotgun, and it is not necessary to amplify it.

Mrs. NORTON. I think that takes care of it.

The amendment was agreed to.

The Clerk read as follows:

Page 8, line 25, after the word "sale," insert "the name, address, occupation, color, and place of birth of the purchaser, and, so far as applicable."

The amendment was agreed to.

The Clerk read as follows:

Page 9, line 3, after the word "weapon," strike out "the name, address, occupation, color, and place of birth of the purchaser."

The amendment was agreed to.

The Clerk read as follows:

Page 9, line 11, strike out the figure "5" and insert "6."

The amendment was agreed to.

The Clerk read as follows:

Page 9, line 18, after the word "same," insert "or in purchasing a machine gun or black-jack within the District of Columbia."

The amendment was agreed to.

The Clerk read as follows:

Page 9, line 22, after the word "shall," insert "within the District of Columbia."

The amendment was agreed to.

The Clerk read as follows:

Page 10, line 1, after the word "pistol," insert "or machine gun."

The amendment was agreed to.

The Clerk read as follows:

Page 10, line 2, after the word "pistol," insert "or machine gun."

The amendment was agreed to.

The Clerk read as follows:

Page 10, line 5, after the word "same," insert "within the District of Columbia."

The amendment was agreed to.

The Clerk read as follows:

Page 10, line 15, after the word "gun," strike out "tear-gas gun or tear-gas bomb."

The amendment was agreed to.

The Clerk read as follows:

Page 10, line 17, after the word "shot," strike out the word "billy."

The amendment was agreed to.

The Clerk read as follows:

Page 10, line 21, after the word "guns," strike out "tear-gas guns, tear-gas bombs," and insert the word "and," and after the word "black-jacks," in line 22, strike out the words "and billys."

The amendment was agreed to.

The Clerk read as follows:

Page 11, line 2, after the word "other," insert the word "their."

The amendment was agreed to.

The Clerk read as follows:

Page 11, line 5, after the word "banking," strike out "institutions and," and insert "institutions."

The amendment was agreed to.

The Clerk read as follows:

Page 11, line 7, after the word "valuable," insert "wholesale dealers and retail dealers licensed under section 10 of this act."

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. Yes.

Mr. STAFFORD. I call attention to section 14, which relates to the possession of certain dangerous weapons. I think it might be advisable there to ban the possession of a sawed-off shotgun and I suggest the insertion on page 10, line 15, after the word "gun" of the words "sawed-off shotgun."

Mrs. NORTON. The committee will accept that.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 10, line 15, after the word "gun," insert "sawed-off shotgun."

Mr. PALMISANO. Mr. Speaker, may I call attention to the fact that this refers to possession?

Mr. STAFFORD. Yes.

Mr. PALMISANO. A man may have possession of a sawed-off shotgun, he may have one at his home, and he may be indicted.

Mr. STAFFORD. The purpose of the amendment is to forbid any person having a sawed-off shotgun. I can not conceive of any person to-day at his home having a sawed-off shotgun unless it is for an unlawful purpose. I can conceive of their having in their possession shotguns, but not sawed-off shotguns.

Mr. PALMISANO. I am not familiar with the law, but it seems to me we may be going a little too far.

Mr. STAFFORD. In the homes I have visited I have often seen shotguns, but I have never seen sawed-off shotguns. They are the weapons of highwaymen.

Mr. BLANTON. Do they use sawed-off shotguns politically in the city of Milwaukee?

Mr. STAFFORD. No; the people there are peaceful and law-abiding.

Mr. BLANTON. The gentleman has been after them so much this afternoon that I thought possibly they might be used there.

Mr. STAFFORD. Oh, no; our electorate have no trouble at the polls. The conditions in Milwaukee are somewhat different from conditions in other parts of the country, without designating them particularly.

Mr. BLANTON. I doubt if there is one in Texas.

Mr. STAFFORD. I am glad to have the gentleman make that confession and avoidance.

Mr. BLANTON. But there are shotguns used by some boys that are short-barreled guns, and they are used for bird shooting and rabbit shooting.

Mr. STAFFORD. But they are not sawed-off shotguns.

Mr. BLANTON. They are short-barreled guns; and without an explanation of it somebody might say they were sawed-off shotguns; and then, too, there are guns that they cut the ends of the barrels off, used by farmer boys everywhere. Such guns scatter the shot more, and that is the reason they saw them off. In your effort to reach the thugs you are liable to reach innocent and honest boys who hunt in Maryland, Virginia, Pennsylvania, and elsewhere in the United States.

Mr. STAFFORD. Let me say to the gentleman from Texas that this law is limited in its application to the District of Columbia. We have no such farmer boys located here who would use this character of implement. Otherwise I would accept the criticism of the gentleman from Texas as a proper one, but this law does not extend to a farming community.



Mr. PALMISANO. Coming back to my question, I had in mind taking care of people who might innocently have a sawed-off shotgun. That is the reason I raised the point.

The SPEAKER pro tempore. The question is on the amendment of the gentleman from Wisconsin.

The amendment was agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed, was laid on the table.

REGULATION OF BANKS AND BUILDING AND LOAN ASSOCIATIONS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up H. R. 6402, to further regulate banking, banks, trust companies, and building and loan associations in the District of Columbia, and for other purposes.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up a bill which the Clerk will report.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6402, a bill to further regulate banking, banks, trust companies, and building and loan associations in the District of Columbia, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6402, with Mr. BLANTON in the chair.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The lady from New Jersey is recognized for one hour.

Mrs. NORTON. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, this is a bill to provide that savings banks and building associations, hereafter organized, as well as banks, State banks, organized out of the District of Columbia and doing business in the District of Columbia be required to come under more strict control, surveillance, I may say, of the Comptroller of the Currency; also that the savings banks and other banks doing business in the District of Columbia, organized out of the District of Columbia, be required to accept double liability on the part of their stockholders for all indebtedness incurred after the passage of this act.

That is the purpose of the bill. It has been drawn with the advice and counsel of the attorney for the building associations, also with the advice of the local bar association, and a representative of the Office of the Comptroller of the Currency.

There seems to be very great need for this kind of legislation in the District. There are 12 national banks, 22 savings banks, 5 trust companies, and 24 building and loan associations in the District of Columbia at the present time. These savings banks, trust companies, and national banks are still operating under single liability, which is not deemed conservative, safe banking from the depositors' standpoint.

Mr. RAMSPECK. Will the gentleman yield?

Mr. HARLAN. I yield.

Mr. RAMSPECK. Did I understand the gentleman to say that the building and loan associations were agreeable to this legislation?

Mr. HARLAN. Yes. Mr. James, representing all the building associations of the District, was in conference with us in connection with this bill.

Mr. STAFFORD. Will the gentleman yield?

Mr. HARLAN. Certainly.

Mr. STAFFORD. Is it the purpose of the committee to provide for an examination of building and loan associations after they receive the official license from the Comptroller of the Currency?

Mr. HARLAN. There is no provision in this bill for the specific examination of building and loan associations except that the Comptroller of the Currency issues a license. However, I understand that the building and loan associations of the District have annual inspections and always have had. However, that is not touched in this bill at all.

Mr. STAFFORD. Under what provision of law?

Mr. HARLAN. It is under the law as it existed before this bill was passed, but that is not touched in this bill.

Mr. STAFFORD. Then the gentleman does not believe that the provision of law to which I have referred requires further strengthening so as to provide for adequate examinations of the investments of building and loan associations in the interest of the stockholders?

Mr. HARLAN. That was the opinion of Mr. Ewald, of the comptroller's office. Of course, the attorney for the building associations agreed to it.

Mr. STAFFORD. I am not concerned with the attitude of the attorney for the building and loan associations, but I am concerned about whether depositors and the owners of stock in the building and loan associations have their investments properly safeguarded by periodic examinations of the books of the building and loan associations.

Mr. HARLAN. All I can say on that subject is that it was deemed by those preparing this bill that there was no need of changing the present law on that subject, and it is not touched in this bill. If that is necessary, it ought to be provided in another bill.

Mr. STAFFORD. Then the only provision which affects the building and loan associations, so far as this bill is concerned, is that you require that they shall receive the official visa of the Comptroller of the Currency before they are permitted to do business.

Mr. HARLAN. That is the provision in this bill.

Mr. ALDRICH. Will the gentleman yield?

Mr. HARLAN. Yes.

Mr. ALDRICH. Was there any opposition to this bill?

Mr. HARLAN. There was no opposition to the bill. However, I will say that since the first of the year there have been two additional associations incorporated in the District of Columbia.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. HARLAN. It was felt by Mr. Ewald that probably there ought to be an amendment added to this bill stating that it should only apply to building associations organized before January 1, 1931, but I was not sufficiently persuaded on that proposition and did not include that amendment. I understand that is to be included in the Senate draft of the bill, and I think further hearings ought to be held on that particular point; that is, if there is to be a classification made between the building associations. I was not sufficiently informed on it to pass on that particular point, and I felt it ought to be taken care of in conference.

Mr. ALDRICH. None of the banks in the District have opposed it?

Mr. HARLAN. They have all been with us, and we have had attorneys for the banks attend our hearings.

Mr. ALDRICH. That was my understanding.

Mr. HARLAN. There has been no opposition to this bill except this suggested amendment to which I have referred. However, I am not convinced about the necessity of it at all.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, in the last Congress, the Seventy-first, upon resolution passed there was appointed a committee known as the Mapes Committee, to investigate carefully and report on the fiscal relations between the Government and the District of Columbia, and upon what would be a proper contribution of money to be paid by the Federal Government to the District expenses.

Our friend from Michigan [Mr. MAPES] was appointed the chairman of that committee. He has done splendid work. He and his committee made the first scientific and careful investigation of that subject that has been made for years.



He and every member of his committee worked hard and faithfully. As a Member of Congress who knows something about the hard work they did and some of the circumstances surrounding it that would ordinarily deter them from doing their duty, I want to commend them for it.

At the beginning of this Congress the distinguished gentleman from Michigan [Mr. MAPES] brought in the report of that committee.

As a result of the work of this committee they offered four different bills here and every one of them was passed by unanimous vote. There was not any opposition raised by anyone, showing that their work had been carefully done and performed in a manner that was not in any way partisan or unsympathetic toward the District.

What has become of these bills? What has stopped them? What has covered them up, as it were, and buried them and kept them from being enacted into law? I would like to know. I do know that from the very day that the gentleman from Michigan passed these bills here last December there has been in the Washington newspapers daily attack after attack upon them. A great deal of space has been devoted to this subject by the great Washington Star, which, in my judgment, is one of the greatest newspapers in the United States. In my judgment, it is ordinarily, outside of this one subject, one of the fairest newspapers in the United States. Outside of this one question it is one of the most reliable newspapers in the United States, and if all the space that has been devoted to the attack on these Mapes bills in the Washington Star since the bills were passed here last December had been paid for at the usual advertising rates, the Star would have taken in an enormous sum of money. They have devoted this space gratis, but it has had some effect somewhere along the line, because we all know that these bills have been held up. These are all good, just bills.

For instance, let us take the gasoline bill. It proposes to raise the gasoline tax in the District from 2 cents to 4 cents. Where is there a just argument against that bill? When the Federal Government is contributing \$9,500,000 toward the expenses of the District, and the District needs revenue, where is there any argument against such a bill?

Why, over here in Tennessee—and you can drive from Bristol, Tenn., to Washington in a day—you have to pay 7 cents a gallon tax on gasoline, and also in Florida; and right here in Virginia, within 10 minutes' ride, the tax is 5 cents, and in Maryland it is 4 cents per gallon, and in other States look at what you pay as a gasoline tax. Why should they not pay 4 cents here in Washington as a gasoline tax? There is not a just argument you can make against it, and yet these bills are held up.

I want to say that the time has come for the people of the United States to find out what holds up bills of this kind. The time has come for the people of the United States to find out exactly what kind of influence these Washington newspapers have, together with other influences, upon bills of this character that keep them from passing and becoming laws.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman.

Mr. COLE of Iowa. Speaking of newspapers, as an experienced newspaperman I would like to put in the Record the statement that no reputable newspaper such as the Star, published in Washington, ever accepts payment for reading matter without designating it as advertising matter.

Mr. BLANTON. I was sure of that, because even though the Star makes this fight, I am not reflecting upon any person connected with the Star. I believe every person connected with it from the very head of it to the very foot of it is a first-class newspaperman and that they are gentlemen.

Mr. COLE of Iowa. I was sure of that.

Mr. BLANTON. It produces a splendid paper, but it has been making this fight a long time, and it means a whole lot to the paper and its management and its interests to keep the taxes low and to keep the Government paying as it has been in the past a good part of the expense here. It is selfishness on its part, but after all it is a big newspaper,

and I do not fall out with it when it jumps on me and I do not fall out with the other newspapers when the boys of the Post, Times, News, and Herald, print one thing about me one day and play it up, and I know every word of it is false, and then they come out the next day and say what they printed was untrue and they change that on their own motion, and then print something else that is equally false. [Laughter.] I do not fall out with them, because they must have news. They have to print something to make news, and if they can commercialize on me, it is all right.

Mr. COLE of Iowa. That ought not to be their business.

Mr. GOSS. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GOSS. The gentleman is not contending that the statement is false when they quote him as the great dry leader of the House?

Mr. BLANTON. I am a dry, and I fight for the things I believe are right. When I vote here on the floor of the House, I do not vote because somebody has offered a certain bill or amendment. I vote because the amendment is either right or wrong or because the bill is either right or wrong. The amendment could be offered by anyone on the floor, no matter who it was, and if it were a good amendment I would vote for it. I do not look to the author of an amendment or of a bill; I look to the bill or the amendment itself, and if it is a good measure I vote for it, and whoever proposes it has nothing in the world to do with controlling my vote on it.

Now, with regard to these four Mapes bills, the country must know something about them, and if these bills are killed I am one of those who is going to help to let the country know something about it. If these bills are killed, the people of the United States ought to know who killed them and just why they were killed, and know exactly what is involved and what influence it is that is stopping the passage of such good legislation. People can not stop good legislation that vitally affects the entire United States and get away with it.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield the gentleman from Texas two minutes more.

Mr. MAPES. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. MAPES. I want to say that for one I have assumed that the merits of the bills are such, as the gentleman has pointed out, that the body in the other end of the Capitol must eventually pass them. It does seem to me that they have now had all the time they needed to investigate and study the bills, and that we may rightly look for action on them in the near future. I think that the opposition to them, according to the articles in the same newspapers to which the gentleman has referred, has pretty much flattened out.

Mr. BLANTON. But the opposition is still here in Washington. It is the opposition that caused the Bureau of Efficiency to pass on the bills. That is the last place I would send good legislation of that kind to.

Mr. MAPES. We have a right to assume that that opposition will not have any undue influence on the Members of the other body.

Mr. BLANTON. I want to say that the work that the gentleman and his committee did was a splendid piece of work, the best piece of work I have seen for a long time. I want to say that if the gentleman from Michigan [Mr. MAPES] never does anything else, it ought to be sufficient to bring him back here as long as he wants to come to Congress. [Applause.]

Mrs. NORTON. Mr. Chairman, I ask that the bill be read for amendment.

The Clerk read the bill, as follows:

*Be it enacted, etc., That the act of April 26, 1922 (42 Stat. L., pt. 1, p. 500; D. C. Code, title 5, sec. 300), be amended to read as follows:*

"(a) That after the enactment of this act no banking business shall be done in the District of Columbia except by corporations organized in accordance with the provisions of the act of March 3, 1901, entitled 'An act to establish a code of law for the District



of Columbia,' as amended, or by national-banking associations organized in accordance with the laws of the United States, except that this paragraph shall not apply to corporations engaged in and doing a banking business on the date of the passage of this act.

"(b) That no individual, partnership, association, or corporation shall engage in or do the business of banking or a fiduciary business in the District of Columbia, nor shall any branch be established to carry on any phase of banking or fiduciary business in the District of Columbia until the approval and consent of the Comptroller of the Currency is secured. The term 'branch' as used in this act shall be held to include any branch bank, branch office, branch agency, additional office, or any place of business located in the District of Columbia, at which deposits are received, or checks paid, or money lent, or at which the public is served or any phase of business conducted by the parent institution.

"(c) That after the passage of this act no building association, incorporated or unincorporated, shall do a building-association business or maintain any office in the District of Columbia until it shall have secured the approval and consent of the Comptroller of the Currency; and the Comptroller of the Currency shall not give consent or approval to any building association to maintain any office or place of business in the District of Columbia where such association is not incorporated under the laws of the District of Columbia in accordance with the act of March 4, 1909 (35 Stat. L., pt. 1, p. 1058; D. C. Code, title 5, ch. 3, secs. 41-54).

"(d) Any solvent financial institution in the District of Columbia under the supervision of the Comptroller of the Currency may go into liquidation and be closed by the vote of its shareholders owning two-thirds of its stock. Whenever a vote is taken to go into liquidation it shall be the duty of the board of directors to cause notice of this fact to be certified, under the seal of the institution by its president, secretary, or cashier, to the Comptroller of the Currency, and publication thereof to be made for a period of two weeks in a newspaper published in the District of Columbia, that the institution is closing its affairs, and notifying its creditors to present claims against the institution for payment. The shareholders shall at the time of going into liquidation elect a committee or liquidating agent who shall liquidate the institution. No institution which has gone into voluntary liquidation shall be permitted to resume business but until its liquidation is complete shall remain a legal corporation or association for the purpose of suing or being sued. The liquidating agent shall give satisfactory surety bond to the board of directors of the institution and shall annually, on request of the Comptroller of the Currency, render such reports to the Comptroller as he shall require. Any such institution in liquidation may be examined by the Comptroller of the Currency who if he finds such institution insolvent may appoint a receiver and wind up its affairs in the same manner as provided by law for national-banking institutions.

"(e) If any financial institution under the supervision of the Comptroller of the Currency, which has not gone into liquidation and for which a receiver has not already been appointed for other lawful cause, shall discontinue its operations for a period of 60 days, the Comptroller of the Currency may, if he deems it advisable, appoint a receiver for such institution.

"(f) Any financial institution over which the Comptroller of the Currency has or had supervision which prior to the passage of this act has in any manner ceased to do a banking business shall not resume such banking business and shall advise the Comptroller of the Currency when its business has been fully liquidated, whereupon by operation of this act its charter is terminated. Such financial institution may, in the discretion of the Comptroller of the Currency, be subject to all the provisions of paragraph (d) of section 1 of this act.

"(g) Each person, copartnership, any director, liquidating committee or liquidating agent, and each one of the officers and employees of an association or corporation violating any of the provisions of this section shall be punished by a fine not exceeding \$1,000 or imprisonment not exceeding one year, or by both fine and imprisonment, in the discretion of the court."

Sec. 2. That section 714 of the act of March 3, 1901, entitled "An act to establish a code of law for the District of Columbia" (D. C. Code, title 5, sec. 299), as amended, be amended to read as follows:

"Sec. 714. (a) The Comptroller of the Currency, in addition to the powers now conferred upon him by law for the examination of national banks, is hereby further authorized, whenever he may deem it advisable, to cause examination to be made into the condition of any bank mentioned in the preceding section. The expense of such examination shall be paid in the manner provided by section 5240 of the Revised Statutes relating to the examination of national banks.

"(b) The Comptroller of the Currency shall by regulation prescribe from time to time the extent to which the laws applicable to national banks shall be applicable to banks and trust companies, other than national banks, in the District of Columbia, or to individuals, partnerships, associations, or corporations carrying on the business of banking in the District of Columbia."

Sec. 3. (a) The shareholders of every savings bank or savings company now or hereafter organized under authority of any act of Congress to do business in the District of Columbia and of every banking institution organized by virtue of the laws of any of the States of the Union to do or doing a banking business in the District of Columbia, who acquire in any manner the shares of any such savings bank or savings company after the enactment of this act, shall be held individually responsible equally and

rationally, and not one for another, for all contracts, debts, and engagements of such bank or company, to the extent of the amount of their stock so acquired therein, at the par value thereof, in addition to the amount invested in such shares.

(b) The shareholders, at the date of the enactment of this act, of every savings bank or savings company organized under authority of any act of Congress to do business in the District of Columbia, and of every banking institution organized by virtue of the laws of any of the States of this Union to do or doing a banking business in the District of Columbia, shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank or company entered into or incurred subsequent to the date of the enactment of this act to the extent of the amount of their stock therein at the par value thereof, in addition to the amount invested in such shares. The words "entered into or incurred" as used in this section shall be held to include any extension or renewal of any contracts, debt, and engagement renewed or extended after the enactment of this act.

(c) The provisions of section 5205 of the Revised Statutes of the United States as amended (U. S. C., title 12, ch. 2, sec. 55); sections 5234, 5235, and 5236 of the Revised Statutes of the United States as amended (U. S. C., title 12, ch. 2, secs. 192, 193, and 194); the act of March 29, 1886 (ch. 28, secs. 1, 2, and 3; 24 Stat. 8; U. S. C., title 12, ch. 2, secs. 193, 199, and 200); the act of February 25, 1930 (ch. 58, 46 Stat. 74; U. S. C., title 12, ch. 2, sec. 67); the act of June 30, 1876 (ch. 156, secs. 1, 2, and 3; 19 Stat. 63; U. S. C., title 12, ch. 2, secs. 191, 65, and 197); and section 5210 of the Revised Statutes of the United States (U. S. C., title 12, ch. 2, sec. 62) are extended to apply to any bank, savings bank, or trust company organized, hereafter organized, or doing a banking business in the District of Columbia and to the shareholders of such institutions, except as limited by the provisions of paragraph (b) of this section: *Provided, however,* That the provisions of section 713 of the act of March 3, 1901, entitled "An act to establish a code of law for the District of Columbia" (D. C. Code, title 5, sec. 298), as amended, shall not be construed to be repealed by this act but shall have application to the banks, savings banks, savings companies, and trust companies embraced within this act.

(d) That portion of section 24 of the Judicial Code, as amended, applying to suits against national-banking associations (U. S. C., title 28, ch. 2, sec. 41, par. 16) shall be extended and shall apply to all actions arising under the provisions of this act.

Sec. 4. Section 747 of the act of March 3, 1901, entitled "An act to establish a code of law for the District of Columbia" (D. C. Code, title 5, sec. 374), as amended, is amended to read as follows:

"Sec. 747. No corporation or company organized by virtue of the laws of any of the States of this Union shall carry on in the District of Columbia any of the kinds of business named in this subchapter without strict compliance in all particulars with the provisions of this subchapter for the government of such corporations formed under it, and each one of the officers of the corporation or company so offending shall be punished by a fine not exceeding \$1,000 or imprisonment not exceeding one year, or by both fine and imprisonment, in the discretion of the court."

Sec. 5. No corporation, association, partnership, or individual shall carry on any business in the District of Columbia under any name or title containing the word "bank" or the words "trust company" unless (1) the business is being carried on under the name or title at the time of the approval of this act, or (2) the business is carried on under the supervision of the Comptroller of the Currency and the name or title is approved by the Comptroller of the Currency. Any individual who, or corporation, association, or partnership which, violates any of the provisions of this section, and any officer of any such corporation or association and any officer or member of any such partnership, who assents to any such violation, shall, upon conviction thereof, be fined not more than \$5,000.

Sec. 6. Any person who maliciously makes or repeats to, or in the hearing of, or under such circumstances that it becomes known to, any other person any false statement imputing insolvency or unsound financial condition to any bank, trust company, or building and loan association in the District of Columbia, or tending to cause a general withdrawal of deposits from any such institution, shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned not more than five years, or both: *Provided,* That the truth of said statement, established by the maker thereof, shall be a complete defense in any prosecution under the provisions of this act.

Sec. 7. All acts prohibited by the provisions of sections 5208 and 5209 of the Revised Statutes, as amended, and section 22 of the Federal reserve act, as amended, in the case of Federal reserve banks or member banks thereof, or of directors, officers, or employees of such banks, are likewise prohibited, respectively, in the case of banks in the District of Columbia which are not members of a Federal reserve bank, or of directors, officers, or employees of such banks, and shall be punishable by the respective penalties provided in such section.

The Clerk read the following committee amendments:

On page 2, line 2, after the word "to," strike out the rest of the sentence and insert the following:

"(1) Corporations engaged in and doing a banking business on the date of the enactment of this act, (2) individuals, partnerships, associations, or corporations primarily engaged as brokers in buying, selling, exchanging, and/or otherwise dealing in stocks, bonds, and/or securities, for the account of others, and incident-



tally thereto conducts banking transactions, (3) individuals, partnerships, associations, or corporations not doing a bank of deposit business."

Page 2, paragraph (b), line 4, strike out the words "individual, partnership, association" and the word "or."

Line 5, after the words "business of" strike out the word "banking" and insert in lieu thereof "a bank of deposit."

Line 7, after words "phase of" insert before the word "banking" the word "such."

At the end of line 3 of page 3, strike out the period and insert a comma, with the following words, "except that this paragraph shall not apply to associations, incorporated or unincorporated, engaged in and doing a building association business on the date of the passage of this act."

On line 6 of page 3, strike out the words "be closed" and insert in lieu thereof the words "discontinue business."

On line 14 of page 3, strike out the words "is closing" and insert in lieu thereof "has discontinued business and is winding up."

On line 23 of page 4, strike out "any" and insert "each."

Between lines 4 and 5 on page 5, insert the following paragraph: "Sec. 2. That the last proviso of section 713 of the act of March 3, 1901, entitled 'An act to establish a code of law for the District of Columbia' (D. C. Code, title 5, sec. 298), as amended, be amended to read as follows:

"And provided further, That all publications authorized or required by section 5211, Revised Statutes, and all other publications authorized or required by existing law to be made in the District of Columbia, shall be printed in one or more daily newspapers of general circulation published in the city of Washington."

At the beginning of line 5, page 5, strike out the words "Sec. 2" and insert "Sec. 3."

Strike out all of paragraph (b) on page 5, including lines 18 to 24, inclusive, and insert the following:

"(b) The provisions of section 5200 of the Revised Statutes as amended (12 U. S. C. 84) are hereby extended to apply to all banks and trust companies doing business in the District of Columbia.

"(c) Each bank and trust company doing business in the District of Columbia and not a member of the Federal reserve system shall within six months from the enactment of this section establish and maintain reserves on the same basis and subject to the same conditions as may by law now or hereafter be prescribed for national banks located in the District of Columbia, except that such reserves shall be established and maintained at such agency or agencies which shall have the approval of the Comptroller of the Currency: *Provided, however,* (1) That the required reserves carried by such bank or trust company with an agency or agencies may, under the regulations and subject to such penalties as may be prescribed by the Comptroller of the Currency, be checked against and withdrawn by such bank or trust company for the purpose of meeting existing liabilities, and (2) that no such bank or trust company shall at any time make new loans or shall pay any dividends unless and until the total reserves required by law shall be fully restored."

In line 1 of page 6, strike out the words "Sec. 3" and insert "Sec. 4."

On line 2 of page 6, between the words "company" and "now" insert "other than building associations."

In line 8, between the words "company" and "after" insert "or such banking institutions other than building associations."

On line 15, between the words "company" and "organized," insert "other than building associations."

Strike out all of line 22, page 6, and insert in lieu thereof the following: "engagements of such savings bank, savings company, or banking institution, entered into or."

On line 1 of page 8, between the word "companies" and the comma, insert "other than building associations."

On line 8 of page 8, strike out "Sec. 4" and insert "Sec. 5."

On line 17 of page 9, between the words "deposits" and "from," insert the words "or funds."

On line 11 of page 9, strike out "Sec. 6" and insert "Sec. 7."

On line 23, page 9, strike out the words "Sec. 7" and insert the words "Sec. 8."

Following line 7 on page 10 insert the following paragraph:

"Sec. 9. The right to alter, amend, or repeal this act is hereby expressly reserved. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered."

The committee amendments were agreed to.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill with amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to. Accordingly the committee rose, and, Mr. PARKS having assumed the chair as Speaker pro tempore, Mr. BLANTON, chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 6402 and had directed him to report the same back to

the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Is a separate vote demanded upon any amendment? [After a pause.] If not, the chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed, was laid on the table.

#### ACACIA MUTUAL LIFE INSURANCE CO.

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 7375) to amend an act entitled "An act to incorporate the Masonic Mutual Relief Association of the District of Columbia," approved March 3, 1869, as amended.

The SPEAKER pro tempore. The gentlewoman from New Jersey calls up a bill, which the Clerk will report.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2775, identical with the House bill, substitute it for the House bill, and pass the same.

The SPEAKER pro tempore. The gentlewoman from New Jersey asks unanimous consent to substitute S. 2775 for the House bill 7375. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object in order to get some information. I call the attention of the gentlewoman from New Jersey to the fact that a number of years ago upon objection made by the distinguished gentleman from Illinois, Mr. Mann, also by the distinguished gentleman from Illinois, Mr. Cannon, who was Speaker of this House at one time, and by a number of others, the Congress for a while stopped passing bills incorporating organizations with Federal charters.

Mrs. NORTON. This is not an incorporation.

Mr. BLANTON. But it is a change of incorporation.

Mrs. NORTON. Exactly.

Mr. BLANTON. It is an enlargement of the incorporation.

Mrs. NORTON. No.

Mr. BLANTON. Oh, it is an enlargement of the business scope and privileges. Here is what the bill does. The present corporation has authority to grant insurance to Masons. I am a Mason, and a thirty-second degree Scottish Rite Mason, and have been one for 30 years. I am a Knight Templar Mason in the York Rite and I am sympathetic with Masons and Masonic matters, but this incorporation permitted this company to grant insurance to Masons. It now comes in and ceases to be a fraternal organization and wants the authority to write insurance for everybody, whether Masons or not. Can you not see the change?

Mr. LINTHICUM. Is this the Acacia Insurance Co.?

Mr. BLANTON. Yes. It never would have gotten its Federal charter if it had had that proposition in it at first. It never would have been incorporated by the Congress. The only reason on earth that Congress incorporated it was that it was a fraternal matter dealing only with certain persons in the fraternal order. It now wants to enlarge and become a regular insurance company, with an advantage over every other insurance company in the United States, and I am not in favor of that.

Mr. BOWMAN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BOWMAN. The gentleman understands that in 1869 when a charter was granted to the Acacia Mutual Relief Association there were no incorporation laws in the District of Columbia. It was necessary for Congress to grant that certificate of incorporation. It was a mutual association and it is still a mutual association.

Mr. BLANTON. Mr. Speaker, I ask the gentlewoman from New Jersey to withdraw this, because this is a very controversial matter. I am sympathetic with every purpose of the organization up to this time, but I am not sympa-



thetic with its having an advantage over other business concerns in the country, even though I am a Mason and have been one probably as long as any man here in the House. I hope the gentlewoman will withdraw this bill, because I shall be forced to resort to parliamentary tactics and make the point of order that there is no quorum present, and I do not want to interfere with other business the gentlewoman desires to pass.

Mr. LINTHICUM. How long did the gentleman say that he had been a Mason—longer than any other man? I have been a MASON for over 32 years.

Mr. BARTON. And I have been one for over 40 years.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SMITH of Virginia. The gentleman made the statement that he was not in favor of giving this company rights over and above the rights of others; in other words, discriminating in its favor. Why?

Mr. BLANTON. Because other companies can not come here and get a Federal charter to write insurance to everyone.

Mr. BOWMAN. This company wants only the same rights that any other company has that is operating in the District.

Mr. BLANTON. Then let it take out its charter as the others have had to do under the general law.

Mr. BOWMAN. This charter was granted in 1869, and they can not go to the incorporation laws of the District of Columbia and amend a charter granted in 1869.

Mr. BLANTON. Then let them take out a new charter the same as any other insurance company must do under the law. I hope the lady will withdraw this bill.

Mrs. NORTON. Mr. Speaker, I withdraw the bill temporarily.

#### TO REQUIRE CONTRACTORS ON PUBLIC BUILDINGS OR OTHER PUBLIC WORKS TO GIVE BONDS FOR FAITHFUL PERFORMANCE OF CONTRACT

Mrs. NORTON. Mr. Speaker, I call up the bill H. R. 437, a bill to require a contractor to whom is awarded any contract for public buildings or other public works or for repairs of improvements thereon in the District of Columbia to give bond for the faithful performance of the contract, for the protection of persons furnishing labor and materials, and for other purposes.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 437.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 437, with Mr. BLANTON in the chair.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read the title of the bill.

The CHAIRMAN. If there is no debate on the bill, the Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,* That any person or persons entering into a formal contract with the District of Columbia for the construction of any public building, or the prosecution and completion of any public work, or for repairs, upon any public building or public work, shall be required, before commencing such work, to execute the usual penal bond in an amount not less than the contract price, with good and sufficient sureties, with the additional obligation that such contractor or contractors shall promptly make payments to all persons supplying him or them with labor and materials in the prosecution of the work provided for in such contract; and any person, company, or corporation who has furnished labor or materials used in the construction or repair of any public building or public work, and payment for which has not been made, shall have the right to intervene and be made a party to any action instituted by the District of Columbia on the bond of the contractor, and to have their rights and claims adjudicated in such action and judgment rendered thereon, subject, however, to the priority of the claim and judgment of the District of Columbia.

If the full amount of the liability of the surety on said bond is insufficient to pay the full amount of said claims and demands, then, after paying the full amount due the District of Columbia, the remainder shall be distributed pro rata among said interveners. If no suit should be brought by the District of Columbia within six months from the completion and final settlement of said contract, then the person or persons supplying the contractor with labor and materials shall, upon application therefor, and furnishing affidavit to the department under the direction of which said work has been prosecuted that labor or materials for the prosecution of such work has been supplied by him or them, and payment for which has not been made, be furnished with a certified copy of said contract and bond, upon which he or they shall have a right of action, and shall be, and are hereby, authorized to bring suit in the name of the District of Columbia in the Supreme Court in the District of Columbia, irrespective of the amount in controversy in such suit, and not elsewhere for his or their use and benefit, against such contractor and his sureties, and to prosecute the same to final judgment and execution: *Provided*, That where suit is instituted by any of such creditors on the bond of the contractor it shall not be commenced until after the complete performance of said contract and final settlement thereof, and shall be commenced within one year after the performance and final settlement of said contract, and not later: *Provided further*, That where suit is so instituted by a creditor or by creditors, only one action shall be brought, and any creditor may file his claim in such action and be made party thereto within one year from the completion of the work under said contract, and not later. If the recovery on the bond should be inadequate to pay the amounts found due to all of said creditors, judgment shall be given to each creditor pro rata of the amount of the recovery. The surety on said bond may pay into court, for distribution among said claimants and creditors, the full amount of the sureties' liability, to wit, the penalty named in the bond, less any amount which said surety may have had to pay to the District of Columbia by reason of the execution of said bond, and upon so doing the surety will be relieved from further liability: *And provided further*, That in all suits instituted under the provisions of this section such personal notice of the pendency of such suits, informing them of their right to intervene as the court may order, shall be given to all known creditors, and in addition thereto notice of publication in some newspaper of general circulation, published in the District of Columbia, for at least three successive weeks, the last publication to be at least three months before the time limited therefor.

The Clerk read as follows:

With the following committee amendment:

Page 1, line 6, after the word "for," insert the words "alteration and/or"; after the word "repairs," insert the words "including painting and decorating."

The committee amendment was agreed to.

The Clerk reported the next committee amendment as follows:

Page 2, line 4, after the word "contractor," insert the word "subcontractor."

Mr. STAFFORD. Mr. Chairman, I ask for recognition in opposition to the amendment.

I wish to inquire of the gentlewoman from New Jersey, or the author of the bill, whether the proposed amendment extending the requirements to subcontractors should be carried also in other provisions of the bill; for instance, on page 2, line 24? Is it the purpose of the enactment to require subcontractors to give bonds as well as the principal contractor?

Mr. PALMISANO. As I understand it, the word "subcontractor" was inserted at the request of the Federation of Labor, because under the bill passed in the last Congress some question arose on a piece of Government work in regard to compelling payment of the prevailing wage. There seemed to have been some question as to whether or not it applied to a subcontractor.

The same statement applies to the amendment consisting of the words "including painting and decorating." I think those amendments were inserted at the request of the Federation of Labor.

Mr. STAFFORD. I am calling the attention of the committee to the fact that the amendment under consideration applies to subcontractors only in this instance. If you are going to adopt this amendment, then I think it should be included in other parts of the bill. On line 24, page 2, and throughout, you have a provision requiring a contractor to give a bond, but in those provisions you do not refer to a subcontractor, as, for example, where he has defaulted after a bond has been given.



The bill without the amendment is consistent; but the committee has introduced an amendment requiring a subcontractor in certain cases to give bond. If this amendment is to be adopted it is my opinion that the bill should be amended to conform to the amendment that is about to be adopted.

Mr. MAPES. I will say to the gentleman from Wisconsin that I have not given that part of it any special thought.

I have hastily glanced at this provision of the bill and I wonder if the one does not apply to the contract which the main contractor has to give to the District of Columbia in getting his contract approved and if the other does not relate to the payment of wages and material which are to be made by the contractor and the subcontractor, in order to cover such a case as was referred to by the gentleman from Maryland, and if that is not the reason for including the subcontractor in one place and not in the other.

Mr. STAFFORD. Has the gentleman from Maryland given any consideration to the thought which I have just advanced?

Mr. PALMISANO. No; I have not.

Mr. STAFFORD. Then I will not press the matter any further, but if the subcontractor is incorporated in this part of the bill, I will leave it to the Senate to make the bill harmonize by including the subcontractor in other parts of the bill, if that is found to be necessary.

Mr. GOSS. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. GOSS. I would like to ask the gentleman from Maryland if this in any way affects the so-called Davis-Bacon Act?

Mr. PALMISANO. Not that I know of.

Mr. GOSS. I would like to direct that question to the gentleman from Michigan. Outside of the work "subcontractor" the so-called Davis-Bacon provision is in no way affected in this bill?

Mr. MAPES. Not at all, as I understand it.

[Here the gavel fell.]

The committee amendment was agreed to.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and Mr. PARKS having assumed the chair as Speaker pro tempore, Mr. BLANTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 437) to require a contractor to whom is awarded any contract for public buildings or other public works or for repairs or improvements thereon in the District of Columbia to give bond for the faithful performance of the contract, for the protection of persons furnishing labor and materials, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### ADJUSTED-SERVICE CERTIFICATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a radio speech I made Saturday night.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech

made over the National Broadcasting Co.'s radio hook-up Saturday evening, April 9, 1932, at 6.30 to 6.45 p. m. eastern standard time:

There is much misleading and false propaganda being circulated over the country at this time relating to the payment of the adjusted-service certificates. Many of the ones who are circulating these false reports are uninformed; they are not in possession of the facts. The question receiving the most consideration at this time is, "Can the payment to the veterans on a debt that must be paid anyway be used as a vehicle to carry our country back to prosperity?"

House bill No. 1 provides for the full and immediate cash payment of the adjusted-service certificates. The bill is now pending before the Committee on Ways and Means of the House. Hearings on the proposal will commence Monday, April 11.

The adjusted-service certificates issued to veterans of the World War are not "bonus" certificates; they represent the Government's confession of a debt for services rendered.

In order to persuade the Congress of the United States to enact a law providing for the full cash payment of the adjusted-service certificates, the burden is upon us to show:

(1) That each holder of a certificate is entitled to receive an amount from the Government equal to the face or maturity value thereof.

(2) That the Government can pay the debt at this time without detriment to the general welfare.

No bond issue is being advocated. The public welfare must receive first consideration: 3,539,507 veterans of the World War are holders of adjusted-service certificates, amounting to \$3,513,692,937; they reside in every community in the United States. About 3 per cent of the population in any community are holders of certificates. They range in value from \$126 to \$1,590 each, with the average value of \$1,000. Two million six hundred and seventy-nine thousand seven hundred and forty-four veterans have borrowed the limit allowed by law—50 per cent—on their certificates. Only 859,763 have not borrowed, and 200,000 of them can not receive loans because their certificates are less than 2 years old. After deducting prior loans, there is a remainder due to all holders of certificates of \$2,126,864,316. If this money is paid now, it will be equal to a distribution of \$18 per capita over the entire Nation.

After thorough and deliberate consideration, Congress declared that the lowest paid civilian laborer during the war receive between \$1 and \$1.25 more per day for his services than the veterans received, and decided this amount of extra pay should be given the veterans. A law was enacted in 1924 confessing this debt; but instead of making the payment in cash, an adjusted-service certificate, payable in 20 years, was given to the veteran.

In this bill, H. R. 1, we are merely asking for the payment of the \$1 a day for home service and \$1.25 a day for service overseas, the amount Congress said was due as of the time the services were rendered. The Government for many years required the veterans to pay 6, 7, and 8 per cent interest compounded annually for their own money. The Government should be willing to pay the veteran the minimum rate of interest that he was charged; that is being asked. We are not asking for the 25 per cent increase for waiting, which Congress said was reasonable; that part is eliminated. If a veteran is given the \$1 and \$1.25 a day as of the time the services were rendered, with a reasonable rate of interest from that time, he was entitled to an amount equal to the face or maturity value of his adjusted-service certificate, October 1, 1931. Therefore the certificates were really due October 1, 1931, although made payable in 1945.

Many would accuse the veterans of being unpatriotic for seeking full payment at this time. If full payment is not made, what will the average veteran, who has borrowed the limit—50 per cent—receive on his certificate in subsequent years? Sixteen dollars and fifty-five cents in 1944 and \$66.25 in 1945. Interest on the 50 per cent already borrowed will have consumed the remainder. A recent ruling compels many veterans to pay 6 per cent interest compounded annually on their loans. In such a case the average veteran will actually owe the Government \$112.18 in 1945. The veterans are now 39½ years of age. They need the money worse than the Government or banks need it in compound interest. The veterans who have borrowed on their certificates are paying \$166,000 a day interest.

#### WHERE WILL THE MONEY COME FROM?

One who voted for the \$2,000,000,000 Reconstruction Finance Corporation bill is not in a position to ask that question.

We need more money in circulation. This debt should be paid in United States notes, which will circulate as money the same as notes of the Federal reserve banks. They should be good for the payment of all debts, public and private, and should be full legal tender. Such payment of \$2,126,000,000 will cause moderate inflation of the currency, which is very much needed at this time, and which is being advocated by the President of the United States, bankers, economists, financiers, and others, and will in no way endanger the gold standard. We are now on the double gold standard, having twice as much gold as the 40 per cent gold standard requires. This plan can become effective at once and the money distributed in payment of the debt to the veterans in every nook and corner of America; purchasing power will be placed into the hands of consumers; commodity prices will rise; wheels of industry will commence to turn to supply demands from consumers; stocks, bonds, and property of all kinds will be more



valuable and the general welfare will be promoted. The payment can be made in this way without a bond issue, without additional taxes, without paying interest, and without unbalancing the Budget.

The people do not have sufficient money to do business. They are reduced to barter. The following advertisement appeared recently in a daily paper:

"Mr. Farmer! You have no money! Neither have we! You have chickens—we have gas and oil—bring your chickens—we will trade you."

It will be said immediately this is a fiat-money proposal. Such a charge is not justified. In 1920 we had \$55 per capita of money in circulation. At that time the Treasury and the Federal reserve banks possessed \$2,865,000,000 of gold coin and bullion. At this time we have \$44 per capita in circulation and the Treasury and the Federal reserve banks hold more than \$4,000,000,000 of gold coin and bullion. This information may be substantiated from reports of the Secretary of the Treasury and the Federal Reserve Board. Four billion dollars is enough gold to justify the circulation of \$10,000,000,000 in currency. We only have about \$5,500,000,000 in currency in circulation. No economist or any informed person will say that we should maintain more than 40 per cent gold base for our paper money. The double-gold standard is causing us trouble.

#### THE PAPER MONEY

There are two kinds of money—paper currency and coins; paper money is preferred; it is made at the Bureau of Engraving and Printing at Washington. The Government first issued paper money in the early days of the Civil War in the form of United States notes; they were known as "greenbacks." These notes had no gold behind them; they were backed solely by the credit of the Nation.

To-day five kinds of paper money are in use—United States notes, gold certificates, silver certificates, Federal reserve notes, and national-bank notes.

My proposal to issue \$2,200,000,000 in currency is sound. It will be backed by 40 per cent gold, a sinking fund for its retirement, and the credit of the Nation. No one can call it fiat money. It is no more "printing-press" money than any other paper currency. One may ask, "Why not issue all the money you want that way?" The answer is, "We do not have sufficient gold to issue an unlimited amount. The 40 per cent gold reserve requirement limits the amount that may be issued." One may ask, "Why not pay off part of the deficit in that way?" Part of the deficit can be taken care of by paying Federal employees in currency as long as we have a sufficient gold base. That is one of the reasons I voted against the pending tax bill.

I invite your attention to the Federal Reserve Bulletin for March, 1932, issued by the Federal Reserve Board at Washington. It shows where we can get billions of additional money. Page 143, first column, under the heading "Excess Reserves," it is stated:

"On the basis of these excess reserves, the Federal reserve banks could issue \$3,500,000,000 of credit if the demand were for currency, and \$4,000,000,000 if it were for deposits at the reserve banks."

Something must be done to put money into circulation among the masses of the people. If another method can be discovered that will more equally distribute money without the payment of a debt, it should be considered. The commodity price level must be raised. People are now required to pay debts with commodities that are selling for 25 and 30 per cent of what they were when the debts were created. Our problem is debts. Anything that will increase the commodity price level will help both debtors and creditors. The proposal to pay the certificates, if enacted, will be equal to converting a noncirculating obligation or credit of the Government into United States notes, a circulating obligation. Government bonds do not circulate and do not affect the price level, but paper currency does circulate and does affect the price level. Anything that is done to enable the people to pay their debts on the same basis on which they were contracted will be very helpful.

All economists agree that the first thing to be done to restore conditions is to put more money into circulation in sufficient quantity to cause prices to rise. If something is not done at a very early date our whole individualistic, capitalistic system is in danger. Prof. Irving Fisher, of Yale, testified before the Banking and Currency Committee of the House, March 28, 1932. He advocated increasing the circulating medium. In answer to a question of how the circulating medium may be increased, he stated that one way would be for the United States to issue new United States notes in purchase of United States bonds or in the purchase of anything else, or by paying its employees. Professor Fisher's proposal is no different from my own. Prof. Williford I. King, an economist of New York University, testified before the same committee on the same proposition and suggested that, in order to raise the price level, money must be put into circulation and that this may be done by the Treasury being authorized to issue money in the form of United States notes in return for a certain amount of Government obligations.

How much additional money should be placed in circulation? Professor King answered that question in this way. It is like the problem of getting up a hill in your automobile, when you are down at the bottom out of gasoline and want to get to the top. If you tried to figure out just exactly the amount of gasoline that would be necessary for you to put into the tank to drive your machine to the top of the hill, you could spend the remain-

der of your life and never find out the exact amount. The answer is, put in enough gasoline to get to the top. On the question of putting more money into circulation, the answer is to put in enough to start commodity prices to rise. Business will recover when the price level is restored.

How much is \$2,000,000,000? The same amount provided by the Government for the Reconstruction Finance Corporation; nothing was said about impairing the Nation's credit or unbalancing the Budget until that bill was passed. Our Nation gave foreign countries five times two billion dollars.

Although it should not encourage extravagance and our Government should be economically administered, it is ridiculous to talk about our Nation's credit being impaired. A \$400,000,000,000 Nation that owes \$18,000,000,000, or about 4 per cent, is comparable to a business concern with assets of \$22,500,000,000 owing \$1,000. After the Civil War we owed 10.5 per cent of our national wealth. England owes 40 per cent of her national wealth. France owes 20 per cent of her national wealth. We owe much less in proportion to wealth than any nation on earth.

Deflation is the cause of our troubles; too much inflation will cause us trouble, but deflation will effect a cure. The best start on the road to recovery will be to pay the \$2,000,000,000 to this large group of citizens, who have consuming power but who do not have the purchasing power.

If the people get the truth and they communicate their wishes to Congress, H. R. 1, as amended, will become a law in 30 days.

#### THE RESIGNATION OF COMMISSIONER DAVILA

Mr. OSIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on the resignation of Commissioner DAVILA, of Porto Rico.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. OSIAS. Mr. Speaker, the resignation of Hon. FELIX CORDOVA DAVILA, Resident Commissioner of Porto Rico to the United States for the last 15 or 16 years, is due to take effect this day. After rendering uninterrupted service in this Chamber beginning with the Sixty-fifth Congress, the President of the United States, with the consent of the Senate, elevated him to a seat in the supreme bench of the land that gave him birth.

While with us Mr. DAVILA endeared himself by his genial nature and gentlemanly qualities. He served his people efficiently and faithfully. His broad culture and legislative experience will undoubtedly be great assets in the important post to which he has been appointed. I feel that I bespeak the sentiments of his colleagues in the hope that our loss will be Porto Rico's gain and in the wish that he may prove equally successful and serviceable in the high office for which he is eminently qualified by character and temperament.

#### CONSTRUCTION AND USE OF CERTAIN PIPE LINES IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2496, to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2496, with Mr. BLANTON in the chair.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Chairman, this bill would authorize the District Commissioners to grant permission to the Griffith-Consumers Co. to lay down and use not more than 10 oil pipe lines in southeast Washington, running under property owned by the company and under adjacent public streets and other public lands to the pierhead line of Anacostia River. The interests of the District of Columbia and of the United States are fully safeguarded by the bill, which is similar in most respects to the pipe line bills enacted in the Fifty-fourth and Sixty-ninth Congresses.

Mr. GOSS. Will the lady yield?

Mrs. NORTON. Yes.

Mr. GOSS. Are there any other companies that have this same privilege?



Mr. SMITH of Virginia. I understand that any company similarly situated has this privilege.

Mr. GOSS. This privilege will not interfere with any other privileges granted by the District?

Mrs. NORTON. Absolutely not.

Mr. GOSS. To other companies?

Mrs. NORTON. Not at all.

Mr. BUSBY. Mr. Chairman, I claim time in opposition to the bill.

The CHAIRMAN. Is any member of the committee opposed to the bill?

Mr. STAFFORD. Mr. Chairman, that is not necessary. This is not Calendar Wednesday.

The CHAIRMAN. If there is no member of the committee opposed to the bill, the Chair will recognize the gentleman from Mississippi for one hour.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Mr. Chairman, when the Committee on the District of Columbia has the call and the Committee of the Whole House on the state of the Union is considering legislation, is it necessary, in gaining recognition, that a Member has to be in opposition to the bill or is any Member whatsoever entitled to one hour's time for general debate?

The CHAIRMAN. From the Chair's experience, gained through having been a member of this committee for over 10 years, he will state that where a bill is called up for general debate on District day in the Committee of the Whole House on the state of the Union, and the chairman of the committee has yielded the floor, a member of the committee opposed to the bill is entitled to recognition over any other member opposed to the bill, and it was the duty of the Chair to ascertain whether there were any members of the committee opposed to the bill who would be entitled to prior recognition. The Chair having ascertained there were no members of the committee opposed to the bill, took pleasure, under the direction of the gentleman from Wisconsin, in recognizing the gentleman from Mississippi.

Mr. STAFFORD. Will the Chair permit the further parliamentary inquiry whether under the rules it is necessary for a gentleman gaining recognition in general debate to confine his remarks to the bill?

The CHAIRMAN. Not on District day. The general debate on District day is the same as general debate on any supply measure.

Mr. BUSBY. Mr. Chairman, I have sought to obtain the floor for an exceedingly worthy purpose. Up to this time, 3.25 in the afternoon, I have not been able to secure recognition for the purpose of calling to the attention of the House, and I am sure to the country, a thing that is far more necessary even than passing new tax measures to extract additional funds from the people of the country to meet ever-growing deficits, or of appropriating those funds out among the several contending interests of the country that are quarreling among themselves as to who will get the appropriations, or more important than these bills that we are now considering for the District of Columbia.

In this morning's Post, as conservative as it is, as partisan as it is in a political way, it made a pronouncement in an editorial that is more than a column in length that ought to attract the ear not only of the President and the administration and the leaders of the majority party in this House and the leaders in the other body but the entire country. I mean to refer to that editorial and to preface the remarks I shall make by reading all or portions of it.

This is from the Washington Post, dated Monday, April 11, 1932, and the editorial is headed "The Underlying Problem."

The editorial states:

A fresh wave of deflation swept over the country last week, leaving the people in a confused and uneasy state of mind. For a time the forces of depression were checked by the new blood poured into the veins of commerce by the Reconstruction Finance Corporation and other constructive measures. But these factors were not sufficient to turn the forces of deflation into a positive

movement toward recovery. It is well for the public to face the fact that heroic measures are necessary to turn the tide of depression.

A few weeks ago attention was concentrated on the extension of credit. The banks were the center of the crisis. Banks were failing at the rate of about 400 per month. Emergency measures initiated at the White House mobilized the resources of the Nation behind bank credit. The epidemic of failures was quickly cured, and the banks are in a much stronger position than before. Now they have ample money and credit reserve, but the benefits of that improved position are not flowing out to the people.

The editorial continues:

There are two chief reasons for this condition. First, the banks are reluctant to lend money because of fear that their own safety may be jeopardized. Second, even if the people can borrow, they hesitate to do so because of the uncertainty of business and because falling prices and security values make the repayment of loans an extreme hardship.

The banks are not taking full advantage of the liberal credit allowances given them in the Glass-Steagall Act. Additional credit can be used only when other resources have been exhausted, and no bank wishes to admit that it is forced to resort to extraordinary measures. To this extent the working of the new regulations, which were expected to be a potent force in the restoration of normal conditions, are a disappointment. Congress did not reckon with the selfishness of some bankers who are concerned only with stabilizing their own establishments.

No elasticity of credit, however, could overcome the tendency of business to lie dormant while there is no hope of operation without fresh losses. All chance of recovery seems to hinge upon a turn in commodity prices.

This is the proposition I want to call your attention to. Commodity prices must come up if we are ever going to have any kind of relief that is efficient.

We passed the Reconstruction Finance Corporation act, and we made available a possible \$2,000,000,000 through that act. We passed the Glass-Steagall bill, and since we have passed that bill bank credits have shrunk, currency per capita has shrunk, and the total is almost \$200,000,000 of shrinkage in currency since the passage of the Glass-Steagall bill. A like shrinkage is also shown by the figures and facts with regard to bank credits.

Not only this but commodity prices have continually gone downhill, and before I finish reading the editorial I want to give you this picture.

The best economists in the country hold that the debts, private and public, in this Nation amounted to \$203,000,000,000 in 1929; that the total wealth of this Nation at that time was not more than \$362,000,000,000.

The debts were 56 per cent of the national wealth. Since that time Professor Pearson, of Cornell, says the national wealth has shrunk 30 per cent, while commodity prices have gone down, making debts harder to pay—so much so that at the present time the debts of the Nation, public and private, are more than 80 per cent of the national wealth.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. EATON of Colorado. Has the gentleman any information whether the Federal reserve banks have tried to control operations; have they issued any part of the currency authorized which would augment the currency?

Mr. BUSBY. I have that information. At the end of December or at the beginning of this year, the currency of this country amounted to \$4,460,000,000, or \$45.34 per capita. To-day it has shrunk to \$5,389,000,000, or \$43.75 per capita, a shrinkage amounting to almost \$200,000,000. So in regard to the bank credits, they have shrunk about \$2,000,000,000 in the last couple of months. As far as business is concerned, it is in a worse condition than before we passed the Glass-Steagall bill.

Mr. EATON of Colorado. Can the gentleman tell whether the banks have made any attempt to get the Federal reserve banks to issue any part of the billion dollars of currency?

Mr. BUSBY. I can not answer positively as to what they have done. I take the Associated Press article of last week, and it says:

#### FUNDS ARE NOW MOVING TO BIG MONEY CENTERS

Recent statements of Federal reserve member banks indicate a flow of funds from exterior banks to institutions in the large money centers of the country.

The latest statement of the board, covering the week ended March 30, showed that during the week a total of \$25,000,000 was



added to the "due to banks" account in the cities of New York and Chicago alone, compared with a net gain of but \$24,000,000 in this item in all member institutions.

This increase, \$17,000,000 for New York City and \$8,000,000 for Chicago, which is reflected in greater deposits, investments, and balances with Federal reserve banks, is held to portray remittances of funds loaned by the Reconstruction Finance Corporation to small exterior banks. Its flight to the larger cities, incidentally, is evidence of business stagnation through the rural communities, Treasury officials say.

In other words, the figures show that the bank credits in outlying districts are drying up and are getting worse and worse, while they grow in the money centers.

Mr. EATON of Colorado. And no effort is being made to give them an increase in sound money?

Mr. BUSBY. Under the Glass-Steagall Act nothing has been done to effectively help business, the currency situation, or bank credits.

Mr. STRONG of Kansas. Is not this the situation? That the banks having eligible paper are refusing to rediscount the paper with the Federal reserve system?

Mr. BUSBY. That is the situation, because the banks, like individuals, are justly afraid of present leadership.

This editorial goes on to state:

On April 1 a group of 110 representative commodities were selling for 17½ per cent less than they brought a year ago. This is superimposed upon a decline of 20 per cent in the previous year. So long as this condition remains unchanged business will be paralyzed. All the credit in the world can not induce business to go deeper into the red.

Value in the United States is being slowly concentrated into money. The dollar increases in value every day, while everything else loses some of its relative worth. In spite of the antihoarding campaign and the liberalizing of credit, this situation encourages the liquidation of all other forms of wealth. The value of the dollar has reached such a high point that the people are tempted to convert all their holdings into dollars to avert further shrinkage.

Unless this vicious movement is checked it will result in panic. The extension of credit will not be sufficient. Heroic emergency measures that will arrest the fall of prices seem to be in order. How that can be done without unwarranted inflation of the currency is not clear, but every fresh wave of deflation makes more urgent the necessity of restoring some measure of balance between money and commodity prices.

Mr. JONES. Will the gentleman yield?

Mr. BUSBY. I yield.

Mr. JONES. The gentleman's position is that the patient needs a further blood transfusion?

Mr. BUSBY. You might put it that way, since money and bank credits are the lifeblood of business. The editorial goes on to state:

The best brains of the country ought to be concentrated on this problem. This economic malady has reached a point where it can not be expected to cure itself without leaving horrible scars. Palliatives will not yield the desired effect. Business can not turn toward stability unless the whole tendency toward lower price levels is reversed.

I want to comment on that. Money that is based on true value related to commodities, their utility, supply, and demand, is not fiat money. Many years ago it was believed that only gold and silver were a proper base for currency. Some 50 years ago silver began to be left out of the picture, and then most nations decided to use gold largely because gold is a commodity of limited amount, and if used for a money base and paper money related to it on a proper percentage we would not have too much money, we would not have money that we could call fiat money, because it would all be backed by gold. Time went on until 1890, when this country was in a very distressed condition from a money standpoint. The Aldrich committee directed one department of the Government to investigate back over a period of 50 years in order to get a check on commodity prices. Going over that period of 50 years a very tangible amount of reliable information was gathered, and from that has come the Bureau of Labor Statistics, headed by Mr. Ethelbert Stewart. It is a corps of many persons, scientifically working to determine commodity prices and the relation of these to each other and to the commodities in trade. On the Bureau of Labor Statistics financial or statistical organizations base their information for their clients. The point is that the Bureau of Labor Statistics takes 784 commodities every day and determines in a very tangible way the value of those

commodities. That finding of many commodity prices is more dependable than the one commodity "gold," because gold is nothing more than a commodity and can be manipulated or maldistributed or dealt with by bankers in such a way that we are thrown into a period of financial independability that we find ourselves in to-day. In 1913 the Federal reserve act was passed—and this may be news to you—but only 40 per cent of the money issued as Federal reserve notes has to be based on gold and 60 per cent may be based on commodities. You asked how that happens. Certain paper secured by commodities is made eligible for discount through the Federal reserve banks. That paper may be put up to 60 per cent and gold to the extent of 40 per cent, and out of that combination comes the perfectly good Federal reserve note, good legal tender for all purposes for which money could be used. I call attention to the fact that the commodities back of the 60 per cent of Federal reserve notes are what makes it possible for us to have anything like a sufficient amount of currency to-day.

Mr. CAMPBELL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BUSBY. Yes.

Mr. CAMPBELL of Iowa. Having that same thought, I want to bring to you this illustration. In my county in 1922 there were 13 banks. Those 13 banks had placed a rediscount of \$2,000,000 and naturally the supply of money, actual currency, that came into my county would be around a little over \$1,000,000. That was new currency that came by virtue of the rediscount in the Federal reserve bank. To-day all of those original banks have gone, and are in process of liquidation. A few of them have already been liquidated.

Mr. BUSBY. The gentleman means that they are broke.

Mr. CAMPBELL of Iowa. Busted. There are two left. They have organized 3 new banks, making a total now of 5 banks, and taking the statements of those 5 banks, on January last, there was not one cent of rediscount. In other words, you have taken out of circulation in my county, a small country county, over a million dollars of actual currency.

Mr. BUSBY. I am sure that is the picture you will find all over the country and I thank the gentleman for the illustration. To proceed with the editorial:

Some powerful agency must be thrown into the breach to restore the value of goods and services against the exaggerated value of money.

The people would not countenance the manufacture of fiat money to make prices rise. But some method of currency expansion on a sound gold basis might be necessary.

The man who wrote this editorial is like a great many other people who discuss the money question. He does not know anything about the economics involved in the money set-up and does not want to appear "radical," but he knows that something must be done quickly, and he admits it. He does know, however, that some remedy must be had besides waiting for the people in the money marts of the world to get into a good humor and bring prosperity back to us. He is calling the attention of the Congress to the fact that you as a responsible agent, a representative of your constituents, ought to wake up, just as I ought to wake up, and quit fooling with this situation, and go to work on it and solve it in a scientific, sensible manner, in order to save not only the people of the country but the Government itself. [Applause.]

My persistence in seeking the floor to make this speech was not out of any wrong spirit, but I am impressed with the need of this country for legislation and I do not care to what extent I have to go to get the floor to speak for that on this or other occasions until the question is settled. I have borne the brunt of this thankless position of forcing myself before the House on other occasions to call attention to this condition which you know about as well as I do. I hope you will not hold this against me personally or officially because I persisted on this occasion and have taken this time regardless.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BUSBY. Yes.



Mrs. NORTON. I think the gentleman is quite wrong about having forced himself in. The only suggestion I made was that he would allow me to get through with this District business, which, of course, is of great importance to the District Committee, even though, as the gentleman said in the beginning of his remarks, he did not consider the bills of any great importance; but when we have gone over these bills as carefully as we have, we consider they are of some importance. Certainly they are of a great deal of importance to the District of Columbia and I hope the gentleman will not hold any hard feelings against me on that account.

Mr. BUSBY. I am just trying to get any bad feelings removed against me for persisting in presenting this appeal to Congress for what I believe to be the imperative need of the people of the Nation.

Mrs. NORTON. I can assure the gentleman I have none.

Mr. BUSBY. I was explaining the editorial.

The CHAIRMAN. The Chair will state that while the gentleman from Mississippi has the right to proceed in general debate, he is reading editorials by unanimous consent.

Mr. BUSBY. That is right. I am about through, and if they do not want me to finish reading it I will not lose much.

Emergencies of this kind call for drastic action which goes to the heart of the problem. All the benefits which have accrued through bank stabilization will be lost unless the forces of deflation are arrested. It is time for the leaders in Government and financial circles to focus their minds upon a realignment of values.

That editorial comes from the conservative Washington Post, which always speaks for the present administration.

We have had experts dealing with this subject. The Governor of the Federal Reserve Board, Mr. Eugene Meyer, a well-known and much-liked gentleman in financial circles, and other prominent gentlemen who have been dealing with the subject for several months have been provided with all the machinery they have asked Congress for. What is the result? Conditions have grown worse and worse, as you know. They have not tackled the primary and essential problem, that of restoring commodity values to a point where the people can pay their debts with what they have to sell. [Applause.]

The President has had the benefit of the wonderful wisdom of these well-trained gentlemen from financial quarters, but I will suggest to him a list of gentlemen from whom, if he would confer with them for an hour or two, he would get a different slant on the picture. He would realize that he could not restore conditions by beginning to work at the top, but that the efforts must be made with the laborer, the farmer, and the man who works with his hands and produces things, to bring about a situation that will put value into the things such people produce.

I would suggest as the first man Senator Owen, for 12 years chairman of the Senate Banking and Currency Committee.

I would suggest as the second man General Dawes, Vice President of the United States for four years, and now chairman of the Reconstruction Finance Corporation.

As the third man I would suggest Dr. Irving Fisher. A better authority on the question does not live, perhaps, in this country or the world to-day.

I would suggest as the fourth man Doctor King, of the University of New York.

As the fifth man I would suggest Mr. Harrison, president of the Federal Reserve Bank, of New York City.

As the sixth man I would suggest T. ALLAN GOLDSBOROUGH, a Representative from the State of Maryland, who understands the trouble.

Mr. BANKHEAD. And the editor of the Washington Post.

Mr. BUSBY. I do not know what everyone in authority in our administration thinks, but we are reaping an awful reward just now. The stock market broke again to-day. It will continue to go down under present leadership. Of all the shares listed on the market at tremendous values in 1929, they are \$24,000,000,000 less to-day; and stocks are going down hill as fast as they can be marshaled together and thrown on the board and sold through the forced

method that is at present going on. Why? Because people have not confidence in the situation. That is what inspired similar outrages in the past.

So, if our President would take unto himself a different corps of advisers and earnestly listen to them, confer with them in regard to the problem that is pressing the life out of the people, take the advice of those gentlemen who are experts—who know the problem—he would not have any trouble in being reelected President of the United States. I do not believe that any well-organized party which would shoulder this problem and champion this cause would have any difficulty in electing a President, because it is the very life of the people. [Applause.]

What we need is somebody like Theodore Roosevelt. Formerly I was not a great admirer of Roosevelt, but when there comes a time like the present I almost feel like throwing up my hands and crying out for Theodore Roosevelt to come back and take charge of the situation.

I am not overestimating matters. I read last week where in the State of Mississippi 60,000 people lost their homes because they could not raise the money to pay the taxes assessed against those homes. Seven million acres of land, one-quarter of all the land value in that State, were sold out from under the people. What are they going to do? Are they to be turned out to become recruits to the already large army of unemployed that is wandering on the face of the earth seeking some means of livelihood? Inevitably that is the case, unless we have a reversal of this thing; and the reversal must come in the commodity prices; it can not come anywhere else.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BUSBY. Certainly.

Mr. BANKHEAD. I think the gentleman from Mississippi knows what my personal attitude has been on the question he is now discussing since the very beginning of this session of Congress. From such superficial investigation as I have been able to give it, I agree fully with the gentleman from Mississippi. I believe he has pointed out the absolutely basic and fundamental essential that we will have to meet before we will have any real restoration of prosperity. I am glad that the gentleman from Mississippi and other gentlemen on the floor of the House, Democrats and Republicans, particularly those on the Banking and Currency Committee, have gone into such a full examination of this question. I indulge the hope that the gentleman's committee at an early date will report the Goldsborough bill and give the House an opportunity to consider this question.

Mr. BUSBY. That is what I was coming to—a discussion of the Goldsborough bill which we will soon report to the House.

Mr. CAMPBELL of Iowa. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. CAMPBELL of Iowa. I have heard a great many speeches on this subject and I have taken great interest in it for this reason: That I believe it is the only method by which this Congress can do anything for this country. If the gentleman does not have the time now, I hope he will at an early date address the House and explain, as I know the gentleman can, the method by which we can keep from that overinflation. As I have said in this House and in the cloakroom, the matter which bothers most of us is that we always refer back to German currency.

I have followed your hearings very closely, and I have been convinced by your testimony and the testimony of others that under this Goldsborough bill we can absolutely take care of the question of excessive inflation.

Mr. BUSBY. I have refrained to-day from discussing that question, because we hope to get that bill before the House in a short time. I will come to that in a moment.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. STRONG of Kansas. I hope the gentleman will continue his very splendid address.



Mr. BUSBY. It is somewhat unpleasant, I will assure you, to be begging for time in the House to speak on this question, but I feel forced to discuss the question of applying some method of saving the Nation's financial house from burning down.

Mr. STRONG of Kansas. I appreciate that. I hope the gentleman will not stop his address until he has given the membership the remedy for inflation and the prevention of overinflation, because the gentleman can do it.

Mr. BUSBY. I dislike to take that much time now, yet I want to say this: Doctor Fisher was before our committee a few days ago. He has recently written a very valuable book called "The Money Illusion." We asked him if he would send that book at his own expense to the membership of Congress. He said, "If they will read it, I will be glad to send it to every Member of the House." We said, "What would it cost?" He said, "Around \$500, but I will be glad to do it. I have no interest in this subject, except the general interest of stabilizing conditions for the American people." So I understand he has mailed a letter to each Member of Congress asking the Members if they will read the book; and if they say they will, he will be glad to send a copy of the book, and I commend it to you. If you gentlemen do not read your Bible for a week, read that book in the meantime; read it at all hazards, because it is the first requisite for the Members of this House and those who have studied the currency question to begin to think on in the attempt to solve the question.

Now, the Goldsborough subcommittee is made up of Mr. GOLDSBOROUGH, Mr. PRALL, and myself on the majority side, and Mr. STRONG of Kansas and Mr. BZEDY on the minority side. We have been holding hearings. Those hearings will be available to-morrow afternoon at the Banking and Currency Committee of the House. We want you to get them and read them.

People are so afraid to question our present monetary set-up. Arthur Brisbane said not long ago that nobody could understand the money question. I concede that proposition. I said so in a speech recently, because it is not founded on reason or common honesty. It is a set-up that has come down to us through the ages. It is not a scientific set-up, and it is one that will eternally involve us in the problem that is facing us to-day.

Oh, it is a fallacy, yet we support it with all the determination we can command. It is a fallacy that has done harm to the people of this country and the peoples of the world. I do not say this disparagingly, but credit sellers and big bankers are in the business for the profit they can get out of it.

As a result, they manipulate the gold standard, the gold exchange, and the currency, and the international exchange arrangements for their own purposes, and you can not blame them. But if you would take values attached to commodities and make the currency set-up and its value relate to commodity values, it would be different. I do not believe I shall have time to go into that now, but that is what the Goldsborough bill will do. It is a short bill, of three pages; and when it comes in here, study it and we will discuss the plan further.

This is what currencies are when based on gold, on one commodity which is as treacherous as can be. Gold is no more dependable than any other commodity, such as wheat, where you may have a short crop or a long crop; but if you could have 784 commodities scientifically dealt with and the commodity price of them ascertained with regard to 1926 prices, which was a fair standard of living, and prices were level practically from 1921 to 1929—because Mr. Strong, of the Federal reserve bank in New York City, did the thing we are trying to get the Federal Reserve Board to do to-day to stabilize prices. When currency and bank credits became too scarce he injected them into the field of trade. When inflation was apparent he withdrew them from the field.

Statistics show that every time you put more money into the pockets of the people and more credit into the banks, prices of commodities will rise. It is natural if we have money in our pockets we will spend it, more natural than

if we do not have money at all. It is natural if the banks have credit they will lend it to the people, but we have reached a condition where there is no faith in anything just now.

When this bill comes up, the gentleman from Maryland [Mr. GOLDSBOROUGH], and the gentleman from Kansas [Mr. STRONG] and other Members, will have an opportunity to discuss in detail with you the provisions of the bill and will show you exactly how, if enacted into law and applied in good faith by the Federal Reserve Board, it will bring back a degree of dependability.

I am not going to take more time this afternoon, but do not think too hard of me if at some other time I inject myself into debate and inflict myself upon you for a while in order to call your attention to the fact that we ought to do something to escape from the calamity that is impending and that must fall upon us and our people unless we take the course that is pointed out in the very able editorial I have read to you. [Applause.]

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. BUSBY. I yield.

Mr. ALLGOOD. I do not blame the gentleman for taking time, if he can get it, with 60,000 farm homes being sold in his State. I think the House can well take time to listen to addresses on the monetary system, and I think we need more addresses from members of the committee who have made a specific study of the question.

Mr. BUSBY. I would like to ask the Members who have not had an opportunity to study the question, Will you not depend somewhat on the Members that have made such studies? If you are on the west side of the aisle, will you not listen to those gentlemen who are aligned with that side of the aisle, and will you not have confidence in them? I hope those on this side will give some attention to the very splendid gentleman who is the chairman of the subcommittee, and to some of the others who are on this side, because I think we understand it. You know we are not inherently dishonest and we are not deceived about the situation, and all you have to do to convince yourselves is to look back home at your own affairs—wrecked.

Mr. EATON of Colorado. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. EATON of Colorado. I have been very much interested in the gentleman's outline of the situation, but it seemed to me that there are two or three other topics that the gentleman might have mentioned, and one in particular. I would like to hear the gentleman's statement in regard to the use of silver in our money situation, its relation to gold, and the relation that the present scheme of using a commodity price level has with our money structure, based, in part, on silver and in part on gold. Will the gentleman tell us about that?

Mr. BUSBY. The shortest cut to an answer to that question would be for the gentleman to read the book that Doctor Fisher is going to send him, because it is so well thought out there.

Mr. EATON of Colorado. I would like for the gentleman to state it so that it will be in the RECORD here.

Mr. BUSBY. I will say that gold and silver together would be more dependable than gold alone, but any metallic base for currency that is not related to true values or commodity values, as determined by a scientific method, will swing away; and while both of them together will not be as tricky as one alone, still they will not be entirely dependable.

Mr. EATON of Colorado. In the gentleman's study has he not found a direct relationship between the price of silver, day after day and year after year, with the price of commodities, going up or going down?

Mr. BUSBY. That is true, but that is largely because silver is nothing but a commodity in the scheme of things and has not been anything else for a good many years. It swings in price with other commodities; but you do not find gold doing that, because the statute says that the standard of value shall be a gold dollar consisting of 25.8 grains of gold nine-tenths fine, and all other currency issued or coined shall be kept in relation to this standard of value,



and this shall be the duty of the Secretary of the Treasury. This is why gold in price stands still, apparently. It does not stand still, as a matter of fact, because it has gone sky high and left everything at a very low level, and we can not sell enough commodities now to buy gold or to buy money, which is the equivalent of gold.

Mr. BANKHEAD. Will the gentleman yield for a suggestion?

Mr. BUSBY. Yes.

Mr. BANKHEAD. The distinguished gentleman from Colorado has injected some inquiries with reference to the status of silver as related to this economic problem. A few moments ago the gentleman from Mississippi asked all Members to read the hearings before his committee on the commodity-price situation. I will say to the gentleman from Colorado, if he has not already done so, if he will secure a copy of the hearings now being conducted by the Committee on Coinage, Weights, and Measures under the direction of the gentleman from New York [Mr. SOMERS], he will find some very illuminating and some very valuable suggestions there on this question of silver coinage, and I want to make this further statement in connection with the Goldsborough bill, which I hope will soon be passed not only by this House but by the Senate and receive the approval of the President, that they ought to take up the recommendations made by the Committee on Coinage, Weights, and Measures with reference to the immediate calling of an international conference to restabilize the value of silver.

Mr. EATON of Colorado. Absolutely; and may I say in reply to the gentleman's comment that I have attended practically all the hearings of the Committee on Coinage, Weights, and Measures and many of the hearings before the Committee on Banking and Currency. I am trying to keep up with the work of both of those committees.

Mr. McCLINTIC of Oklahoma. Can the gentleman give the House any idea when the legislation will be reported?

Mr. BUSBY. Yes; we hoped to have Eugene Meyer before us last Friday; but he said he was not prepared to come, because he had not read what had been said by other witnesses, and he wanted time to study the bill. Out of deference to him—and we wished to have his statement and approval, if possible—we deferred the matter until Thursday of this week. But Wednesday of this week Mr. Harrison, of the Federal Reserve Bank of New York, is to be before us.

However, we are determined to report the bill out before the end of this week, regardless of whether they come or not. [Applause.]

In justice to myself and to the gentlemen, I am taking time to call to your attention to the valuable information that may be had: One has been referred to, the hearings before the Somers committee, to investigate silver and its relation to the monetary question; and the other, the hearings before the Goldsborough subcommittee, being conducted by the Banking and Currency Committee of the House.

Read those, because I can not tell you all of the wonderful presentation that they gave us by men who know and who have studied the question for years and years.

I would not undertake on the floor of the House, even in the brief time of an hour, to analyze those things. But my object to-day—and this is the kind of meeting that I wanted to have, and I am sorry that the whole House was not here this afternoon—I want this House to decide the question that will come up, each Member on his own responsibility—and I have no fear for the legislation that we are going to propose.

Mr. FIESINGER. Will the gentleman yield?

Mr. BUSBY. I yield.

Mr. FIESINGER. The gentleman knows that I have been much interested in the Goldsborough bill, and I commend the gentleman for his fine statement. There is a mind that thinks that if the Federal Reserve Board did expand the currency, that would force us off the gold standard; and with the securities that are payable in gold, Liberty bonds, that would precipitate a tremendous panic in this country.

Mr. BUSBY. Let the gentleman get the Federal Reserve Bulletin for March, 1932, and they will show you that with the present amount of gold they could issue an additional three and a half billion dollars Federal bank notes and not endanger the gold standard.

Now, the peak of Federal reserve notes outstanding was, on the 23d of December, 1920, when there was \$3,404,000,000 in Federal reserve notes, when the gold in this country amounted to \$2,926,000,000. We have outstanding now Federal reserve notes in circulation or held by issuing banks to the amount of \$2,794,000,000. Our gold holdings are \$4,389,000,000.

It is not endangering the gold standard. We have 30 per cent of all the monetary gold in the world, and France has about 33 per cent of the gold; so that France and this country have practically 69 to 70 per cent of all the monetary gold in the world, and the other 45 countries of the world are getting along without any except the remaining 30 per cent.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. BUSBY. Yes.

Mr. FIESINGER. Does this statement of the Federal reserve bank give any assurance that the issuance of \$3,500,000,000 of currency would not force us off the gold standard?

Mr. BUSBY. Yes. The gentleman should read it.

Mr. FIESINGER. I think that would help the country a good deal when the people of the country know that.

Mr. BUSBY. Yes.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BUSBY. Yes.

Mrs. NORTON. I have followed what the gentleman has said with a great deal of interest. If all that is true, what is the justification for the tax bill that we recently passed?

Mr. BUSBY. The tax bill is an emergency proposition and must be passed to provide new means and methods of going down deeper into the pockets of the people, because under the former revenue raising law the springs of revenue had dried up to where we were not getting over 50 per cent of the amount we needed. Of course we understand that the springs of revenue to the private individual have also dried up, but that does not make so much difference so long as we balance the Budget and the financiers of the world are satisfied that they can depend upon us.

I am not criticizing the balancing of the Budget or commenting upon it. To defer a portion of our national payments ought not to hurt the credit of a nation any more than if I should defer a part of the payments that I am expected to make this year should hurt my credit. But it is the demand of the financial centers of the country that we balance the Budget; and whenever we do not do everything that they suggest through their chambers of commerce and their meetings of financial barons, they threaten a panic and throw these stock exchange fits, and down the hill we go, down, down, down. Let me say in closing that there is not a thing to keep us from getting back to a dependable basis under our present law, with the Glass-Steagall bill in force. There is nothing to prevent us from using that and getting back on a sound financial basis and getting on the upgrade except that the Federal Reserve Board is not doing anything to take advantage of the legislation that we have enacted here in Congress at their request. [Applause.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill as follows:

*Be it enacted, etc.,* That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered to grant permission to the Griffith-Consumers Co., a corporation organized and existing under the laws of the State of Delaware, the owner of square 661 in the city of Washington in the District of Columbia, said square being bounded on the north by R Street, on the south by S Street, on the east by Half Street, and on the west by First Street, its successors and assigns, to lay down, construct, maintain, and use not more than 10 pipe lines for the carriage of petroleum and petroleum prod-



ucts from a point or points within said square 661, in and through R Street, due east to Half Street, east, and thence north on Half Street, east, to a point opposite lots 12 or 13 in square east of square 708 (through which said lots the said Griffith-Consumers Co. now has an easement to run said pipe lines), thence through said lots or any other lots in said square east of square 708 which may hereafter be acquired by the said Griffith-Consumers Co. or through which it may secure an easement, and to the pierhead line of the Anacostia River.

Sec. 2. That all the construction and use provided for herein shall be under such regulations and rentals as the Commissioners of the District of Columbia may make and establish in connection therewith.

Sec. 3. That no permission granted or enjoyed hereunder shall vest any title or interest in or to the land within the above-mentioned streets or affect any right, title, or interest of the United States in or to land within square east of square 708.

Sec. 4. That the Congress reserves the right to amend, alter, or repeal this act at any time.

Mr. GOSS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Goss: Page 2, line 21, after the figure 708, insert a new section as follows:

"That said Griffith-Consumers Co., its successors and assigns, shall be and remain liable to all persons, firms, and corporations for all damages to person or property which may result at any time or from any cause from the construction, maintenance, and/or operation of said pipe lines, or additions thereto." That in the event the Government of the United States or the District of Columbia desire the removal of any of said pipe lines, said company shall remove the same without claim for damages from said Governments."

Mr. GOSS. Mr. Chairman and members of the committee, I have talked this amendment over with the committee, and I understand it is agreeable to them to accept it. It is offered for the purpose of safeguarding the public in the use of the pipe lines, which are sometimes quite risky. Sometimes leaks occur, and oil seeps up and it catches fire. Great restrictions are placed on the storage of oil and also on the use of pipe lines as a carrier. This I offer to safeguard the public interest. In the last portion of the amendment it will be noted that if for any reason the Government, Federal or district, should want to remove any of the pipe lines, they could do that, and the Griffith Co. could not sue for damages. I trust that the committee will accept the amendment.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GOSS. Yes.

Mr. SMITH of Virginia. The only objection is that it carries the bill back to the Senate and delays the letting of the contracts. Is not the amendment merely declaratory of what is already in the law, namely, that they are liable for any damage that might happen?

Mr. GOSS. I notice that section 3 takes care of the United States; and I assume if any loss should occur, the United States would be protected; but inasmuch as the rights of citizens, firms, and corporations were not mentioned, there was a question in my mind as to whether they would be protected.

Mr. SMITH of Virginia. Does not the gentleman think they are responsible, anyway?

Mr. GOSS. I do not think the Senate would hold the matter up, and I am not offering this to delay the matter at all.

Mr. STAFFORD. Has any member of the committee information as to the extent to which these pipe lines go?

As I understand, it grants the privilege over certain property of the United States.

Mr. SMITH of Virginia. And the right to go under certain streets.

Mr. STAFFORD. And the right to go under certain streets which abut property of the United States. I did not have time sufficient to examine the plats to see just where the property is located, but I think it is tributary to the Anacostia Branch.

Mr. PATMAN. That is right.

Mr. GOSS. They own one lot.

Mr. STAFFORD. This company owns a number of lots, and the United States is now engaged in litigation to settle the title to square 708.

Mr. GOSS. Yes.

Mr. STAFFORD. If the United States is the only party directly interested, I would like to inquire the purpose of the amendment.

Mr. GOSS. The purpose is to provide the right of redress in case of damage. We are all familiar with the sight of the large gasoline trucks driving around the city with chains dragging in order to ground them in case they should be struck by lightning; and we are all familiar with the fact that in pipe lines there is the danger of leaks and the danger that oil will seep up through the ground and catch fire. It is easily conceivable that some such thing might occur and numbers of persons and vehicles be injured.

Mr. STAFFORD. The gentleman, with his vast business knowledge and understanding of matters in general, knows that often gas is emitted from gas-pipe lines; and the gas companies having the special privilege to lay them, immediately send a crew to detect and try to locate the place where the gas is escaping, but no great damage ever ensues.

In this instance we have a localized pipe line for a company which owns property near the Anacostia Branch to be granted the privilege of laying pipe lines over streets adjacent to or adjoining property owned by the United States. I question whether there is need of having the precautionary amendment that the gentleman suggests. I am in accord with the gentleman from Virginia [Mr. SMITH] that it would only delay consideration and is not really necessary.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 5, noes 7.

So the amendment was rejected.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BLANTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 2496, and had instructed him to report the same back with the recommendation that it do pass.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### ADMISSION OF PAY PATIENTS TO CONTAGIOUS-DISEASE WARD OF GALLINGER MUNICIPAL HOSPITAL

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 1769) to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1769.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1769, with Mr. BLANTON in the chair.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mrs. NORTON. This is a permissive bill. The legislation is necessary to permit pay patients to be admitted to the contagious ward of the Gallinger Municipal Hospital. There is increasing reluctance on the part of Washington hospitals to care for people having contagious diseases, because they present a varying degree of peril to other patients in the hospital. I may say that at the present time there is no place in the District where people of moderate means with contagious diseases may go. This bill is designed to assist such people.



Mr. STAFFORD. Will the gentlewoman yield?

Mrs. NORTON. Gladly.

Mr. STAFFORD. There is a letter incorporated in the report, addressed to Senator CAPPER by the director of public welfare. I was led to the conclusion that patients with contagious diseases are now taken care of at Garfield Memorial Hospital. Is that the fact?

Mrs. NORTON. I think those are only indigent patients.

Mr. STAFFORD. I was wondering why we should give preference to pay patients as distinguished from indigent patients in the matter of hospitalization at Gallinger Municipal Hospital? What is the need of granting special consideration to pay patients? Why should they not go to establishments like Garfield Hospital where they can receive consideration?

Mrs. NORTON. My answer to that is that the hospitals do not want contagious-disease patients. There is protection necessary in contagious diseases, not only for those absolutely destitute, but for those who can not stand the extremely high charges in private hospitals in such cases.

Mr. STAFFORD. If I may be permitted to refresh the memory of the lady from New Jersey, the letter states that the Providence Hospital—

Mrs. NORTON. To which letter does the gentleman refer, may I ask?

Mr. STAFFORD. I refer to the letter from the director of public welfare, at the bottom of page 2 of the report, in which it is stated that the Providence Hospital management does not care to have these patients, does not care to continue the service of looking after indigent patients who have contagious diseases; but it makes no reference to Garfield Memorial Hospital having adopted the same policy.

My inquiry is directed to the need of authorizing pay patients to be housed in a public institution like Gallinger Municipal Hospital. Indigent patients are privileged to go there.

My inquiry is prompted by the experience of the city of Detroit, where the Ford Hospital was established through the munificence of Henry Ford, which hospital permits pay patients to receive the benefit of that institution. There is criticism on the part of the medical fraternity that it is unfair to the profession to allow that institution to grant its privileges to anyone who may see fit to go there. I am wondering what is the need of granting the privilege to pay patients as distinguished from indigent patients.

Mrs. NORTON. My understanding has been that it is necessary to get this permission before these patients may go there. This bill has been indorsed by the Commissioners of the District of Columbia.

Mr. STAFFORD. Are not pay patients privileged to go to Providence Hospital or to avail themselves of the facilities of Garfield Hospital?

Mrs. NORTON. But there is a growing disinclination on the part of those hospitals to take such cases.

Mr. STAFFORD. Do the pay patients want to avail themselves of the privilege of a Government hospital at a lower rate?

Mrs. NORTON. This is merely a permissive use.

Mr. STAFFORD. If there are facilities at private hospitals, why should we permit pay patients to be privileged to avail themselves of the facilities of Gallinger Hospital?

Mrs. NORTON. Why should they not have the privilege?

Mr. STAFFORD. Because they can obtain those privileges at a private institution. The public institutions are for the benefit of indigent patients, not for pay patients in competition with private hospitals.

Mrs. NORTON. But they expect to pay what they can afford when they go to Gallinger Hospital.

Mr. STAFFORD. What rate will they pay? Will the rate be the same as that charged in private hospitals?

If private hospitals are able to take care of these pay patients, then I can not see any reason why we should open a public hospital and use that as a latch for the building of a more commodious hospital at public charge.

Mrs. NORTON. The gentleman knows that is done in other cities.

Mr. STAFFORD. It is not done in the city which I have, in part, the pleasure of representing. We have private institutions and we have public institutions. The public institutions are for the benefit of the indigent and not for the benefit of those who are capable of paying. Those who are capable of paying naturally seek treatment in private hospitals, and properly so. It is stated in this report that there is a program on foot to increase the size of the Gallinger Municipal Hospital. We are continually hearing the cry that the burdens of the District are being increased and increased, and that the people of the District are obliged to pay for those privileges. I want to grant plenty of hospitalization to the indigent, those who can not pay; but I do not want to grant hospitalization in public institutions to those who are able to pay.

Mrs. NORTON. The Commissioners of the District are responsible to the District. They have asked me to introduce this bill, and they tell me it is absolutely necessary for the safe conduct of the District. Therefore I can not do anything more than take the word of the commissioners.

Mr. STAFFORD. The president of the Board of Commissioners of the District of Columbia in his letter states:

The Budget estimates of the District of Columbia for the fiscal year beginning July 1, 1933, just submitted to Congress, contain an appropriation estimate of \$250,000 for the construction of an additional ward building for contagious diseases at Gallinger Municipal Hospital, with a contract authorization of \$600,000.

So this is nothing more than a means for adding further additional burdens on the District of Columbia when, from the little knowledge I have of it, there is no real need for it.

Mrs. NORTON. I may say to the gentleman that if I thought that was the purpose of the bill I would be the first one to oppose it.

Mr. STAFFORD. I know the fundamental position of the gentlewoman from New Jersey in favor of economy, and that is why I am making these inquiries. I am trying to protect her in the position she has taken for so many years back.

Mr. GOSS. Will the lady from New Jersey yield?

Mrs. NORTON. Yes.

Mr. GOSS. I want to ask if any of these recommendations have anything to do with the so-called down-town clinic?

Mrs. NORTON. That I can not answer.

Mr. GOSS. Is there any legislation coming out on the subject of the down-town clinic?

Mrs. NORTON. We have nothing before us at the present time.

The Clerk read the bill for amendment.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BLANTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 1769) to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital, and had directed him to report the same back to the House with the recommendation that the bill do pass.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### EXTENSION AND WIDENING OF MICHIGAN AVENUE

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10489) to provide for the extension and widening of Michigan Avenue in the District of Columbia, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the con-



sideration of the bill H. R. 10489, with Mr. BLANTON in the chair.

The Clerk read the title of the bill.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Chairman, this bill simply authorizes the Commissioners of the District of Columbia to use for street purposes a portion of the land lying within McMillan Park and in the United States Soldiers' Home grounds, together with any additional lands that may be necessary for slopes in the proper construction of highways and sidewalks. It has been indorsed by the commissioners and there has been no opposition to the bill.

The Clerk read the bill for amendment, as follows:

*Be it enacted, etc.,* That in order to extend and widen Michigan Avenue between First Street and Park Place NW., and to improve traffic conditions, the Commissioners of the District of Columbia be, and they are hereby, authorized to use for street purposes all of the land lying within the McMillan Park and the United States Soldiers' Home grounds which is comprised within the parcels designated A and B as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, together with any and all additional land that may be necessary for slopes in the proper construction of roadway and sidewalks.

Sec. 2. The Chief of Engineers, United States Army, is hereby authorized and directed to transfer to the Commissioners of the District of Columbia for street purposes all of the land comprised within the parcels designated A, as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650; and the board of commissioners of the United States Soldiers' Home is hereby authorized and directed to transfer to said Commissioners of the District of Columbia for street purposes all of the land comprised within the parcels designated B, as shown on said map filed in the office of the surveyor of the District of Columbia and numbered as map 1650.

Sec. 3. That the board of commissioners of the United States Soldiers' Home shall transfer to the Chief of Engineers, United States Army, all of the land comprised within the parcels designated C, as shown on map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, to be used as part of the McMillan Park; and the Chief of Engineers, United States Army, shall transfer to the board of commissioners of the United States Soldiers' Home all of the land comprised within the

parcels designated D, as shown on said map filed in the office of the surveyor of the District of Columbia and numbered as map 1650, to be used as part of the United States Soldiers' Home grounds.

Sec. 4. That the surveyor of the District of Columbia is hereby authorized to prepare the necessary plat or plats showing all parcels of land to be transferred in accordance with the provisions of this act, with a certificate affixed thereon to be signed by the parties in interest making the necessary transfers, which plat and certificate, after being signed by the various interested officials and approved by the Commissioners of the District of Columbia, shall be recorded upon order of said commissioners in the office of the surveyor of the District of Columbia; and said plat or plats, when duly recorded in said office of the surveyor of the District of Columbia, shall constitute a legal transfer for the purposes designated according to the provisions of this act.

Sec. 5. The District of Columbia shall perform the necessary work and shall pay any and all expenses for removing and replacing water mains, removing, reconstructing, and repainting the boundary fence of the United States Soldiers' Home and bringing the surface of the areas reconstructed to proper grade with loose earth suitable for growing vegetation and otherwise replacing the property of the United States Soldiers' Home in the same condition as it was before construction was undertaken; any trees required to be cut along the proposed route and on the areas authorized to be transferred by the United States Soldiers' Home to remain the property of the United States Soldiers' Home and to be cut into such lengths as may be suitable for cordwood or lumber, and to be split and stacked by said District of Columbia as directed by the governor of said home.

Mr. LONERGAN. Mr. Chairman, I move to strike out the last word for the purpose of asking unanimous consent to insert in the RECORD a report of the traffic situation in the District of Columbia.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent to extend his remarks in the RECORD by inserting a report of the traffic situation in the District of Columbia. Is there objection?

There was no objection.

Mr. LONERGAN. Mr. Chairman, on February 19, 1932, I had inserted in the CONGRESSIONAL RECORD (p. 4345) a report from the Director of Vehicles and Traffic of the District of Columbia on the traffic situation in the District of Columbia. To-day I received from Director W. A. Van Duzer another report on the traffic situation in the District, as follows:

Department of vehicles and traffic, Washington, D. C.—Intersection counts and studies, July to December, 1931

	How controlled			Counts			Average-hour count		Peak-hour count		Accidents		Pedestrians, peak hour	Recommendations	
	Signals	Officer		None	Average hour	Peak hour	Hour	Main Street	Side Street	Main Street	Side Street	Fatal			Non-fatal
		Part	Full												
APPROVED FOR NEW SIGNALS OR CHANGE IN SYSTEM															
Peace Monument			✓	2,334	3,173								12	149	Flex. Prog.
Pennsylvania Avenue and Seventh Street NW.		✓		2,730	3,143		2,108	622	2,451	692			32	1,254	Do.
Pennsylvania Avenue and Ninth Street NW.		✓		2,358	3,475		2,045	313	3,005	470			31	1,784	Do.
Pennsylvania Avenue and Tenth Street NW.	✓			2,567	3,852		2,291	275	3,280	572	1		11	3,066	Do.
Pennsylvania Avenue and Twelfth Street NW.		✓		3,239	3,072		2,759	480	3,262	710			31	2,772	Do.
Pennsylvania Avenue and Thirtieth Street NW.			✓	3,250	4,256		2,625	625	3,379	877			51	2,251	Do.
Connecticut Avenue and L Street NW.1	✓			2,601	3,166		2,081	520	2,464	702			21	1,149	Do.
Connecticut Avenue and Macomb Street NW.	✓				1,559	9-10			1,462	97			6	159	Demand.
Fifth and H Streets NW.			✓		1,338	10-11			767	571			5	368	Ind.
Eleventh and H Streets NW.1			✓		1,766	8-9			925	841			13	1,017	Do.
Twelfth and H Streets NW.1			✓	1,790	2,240		1,027	763	1,238	1,002			22	1,328	Do.
Thirteenth Street and Columbia Road, NW.			✓	1,380	2,175		1,143	237	1,777	368			2	287	Do.
Thirteenth and Harvard Streets NW.			✓		827	12-1			643	184			2	74	Do.
Fourteenth and L Streets NW.			✓		1,513	12-1			1,109	424			7	685	Do.
Fourteenth and Eye Streets NW.1	✓				2,054	8-9			1,489	565			18	1,293	Do.
Fifteenth and Eye Streets NW.1			✓		1,627	9-10			826	801			13	777	Do.
Seventeenth and Eye Streets NW.	✓				2,190	8-9			1,658	540			10	1,320	Do.
Nineteenth and M Streets NW.			✓	1,209	1,714		875	344	1,158	556			10	846	Do.
Twentieth and M Streets NW.			✓	1,304	1,818		787	517	1,060	758			11	444	Do.
Twenty-ninth and M Streets NW.	✓			2,156	2,785		2,043	113	2,611	174			15	691	Do.
Florida and West Virginia Avenues.			✓	1,514	2,143		1,187	327	1,708	435			4	211	Do.
Florida Avenue and Fifth Street NE.1			✓		2,613	12-1			1,798	815	1		4	68	Do.
Florida Avenue and First Street NW.					1,449	8-9			778	671			8	224	Do.
Florida Avenue and Fourteenth Street NW.			✓	1,863	2,458		1,364	499	1,764	694			1	368	Do.
New York Avenue and First Street NW.			✓		1,034	9-10			644	380			5	170	Do.

<sup>1</sup> Indicates installations already provided for.



Department of vehicles and traffic, Washington, D. C.—Intersection counts and studies, July to December, 1931—Continued

	How controlled			Counts			Average-hour count		Peak-hour count		Accidents		Pedestrians, peak hour	Recommendations	
	Signals	Officer		None	Average hour	Peak hour	Hour	Main Street	Side Street	Main Street	Side Street	Fatal			Non-fatal
		Part	Full												
APPROVED FOR NEW SIGNALS OR CHANGE IN SYSTEM—continued															
New York Avenue, L and Fifth Streets NW.				✓	2,100	11-12				1,025	719		5	667	Ind.
Rhode Island Avenue and Twelfth Street NE.	✓				1,162	8-9				842	320	1	4	68	Demand.
Rhode Island Avenue and Twentieth Street NE.				✓	886	9-10				831	55		1	111	Do.
Rhode Island Avenue and Twenty-Second Street NE.				✓	1,009	8-9				970	39			71	Do.
Rhode Island and Mills Avenue NE.				✓	698	9-10		666	33	911	36			216	Do.
Rhode Island and South Dakota Avenues NE.	✓														Change to demand.
Sherman Avenue and Columbia Road. <sup>1</sup>				✓	1,204	1,949		1,008	196	1,708	241		8	567	Ind.
North Capitol and R Streets.				✓	1,063	1,263		770	293	894	365	1	11	552	Flex. prog.
Connecticut Avenue and Porter Street, NW.		✓			1,060	12-1				1,002	58		7	101	Demand.
RECOMMEND SIGNALS BE REMOVED															
K and First Streets NE.	✓				429	697		317	113	518	179		7	103	
K and Third Streets NE.	✓				375	568		276	101	437	131		5	85	
K and Fourth Streets NE.	✓				524	841		270	254	440	401		4	126	
K and Sixth Streets NE.	✓				499	756		274	225	455	301		4	98	
K and Seventh Streets NE.	✓				394	626		253	141	433	193		8	98	
K and Ninth Streets NE.	✓				253	605		214	144	377	228	1	1	117	
K and Tenth Streets NE.	✓				285	512		198	87	378	134		1	112	
Florida Avenue and Thirteenth Street NE.	✓				913	1,311		845	68	1,215	96		3	60	
Florida Avenue and Fourteenth Street NE.	✓				799	1,105		660	139	861	244		2	64	

<sup>1</sup> Indicates installations already provided for.

The pro forma amendment was withdrawn.

Mr. GOSS. Mr. Chairman, I move to strike out the last two words for the purpose of calling the attention of the committee to section 5. In the last bill we passed I endeavored to have an amendment included whereby the Government would not be put to any cost at any time for the removal of any water mains, oil pipes, or anything else. The committee turned that down. I do not know whether any oil lines or any other kind of obstructions are involved in this matter. Are there any other obstructions such as I have mentioned which are not covered by the bill?

Mrs. NORTON. I do not think I quite understand the gentleman's question.

Mr. GOSS. Section 5 provides that:

The District of Columbia shall perform the necessary work and shall pay any and all expenses for removing and replacing water mains.

And so forth. Is there any other matter left out?

Mrs. NORTON. No; nothing else.

The pro forma amendment was withdrawn.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. BLANTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10489) to provide for the extension and widening of Michigan Avenue in the District of Columbia and for other purposes, and had directed him to report the same back to the House with the recommendation that the bill do pass.

The bill was ordered to be engrossed and read a third time, and was read the third time and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### CONDEMNATION OF LAND IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 5651) to amend chapter 15 of the Code of Law for the District of Columbia relating to the condemnation of land for

public use, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

There being no objection, the Clerk read the bill as follows:

*Be it enacted, etc.,* That chapter 15 of the Code of Law for the District of Columbia is amended by adding after section 485 the following new section:

SEC. 485a. Vesting of title pursuant to a declaration of taking: The petitioners may file in the cause, with the petition or at any time before judgment, a declaration of taking, signed by the commissioners, declaring that said lands are thereby taken for use of the District of Columbia. Said declaration of taking shall contain or have annexed thereto—

(1) A statement of the authority under which, and the public use for which, the said lands are taken;

(2) A description of the lands taken sufficient for the identification thereof;

(3) A statement of the estate or interest in said lands taken for said public use;

(4) A plan showing the lands taken;

(5) A statement of the sum of money estimated by the commissioners to be just compensation for the land taken.

Notwithstanding the provisions of section 483, upon the filing of said declaration of taking and the deposit in the registry of the court, for the use of the persons entitled thereto, of the amount of the estimated compensation stated in the declaration, title to the said lands in fee simply absolute, or such less estate or interest therein as is specified in the declaration, shall vest in the District of Columbia, and the lands shall be deemed to be condemned and taken for the use of the District, and the right to just compensation for the same shall vest in the persons entitled thereto. Said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the judgment shall include, as part of the just compensation awarded, interest at the rate of 6 per cent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

Upon the application of the parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceeding. If the compensation finally awarded in respect of said lands, or any parcel thereof, shall exceed the amount of the money so received by any person entitled thereto, the court shall enter judgment against the District for the amount of the deficiency.

Upon the filing of the declaration of taking, the court shall have power to fix the time within which and the terms upon which the parties in possession shall be required to surrender possession to the petitioners. The court shall have power to make



such orders in respect of incumbrances, liens, rents, taxes, assessments, insurance, and other charges, if any, as shall be just and equitable.

With the following committee amendments:

Page 3, line 13, strike out "exceed" and insert in lieu thereof "increase or reduce."

In line 16, strike out "the deficiency" and insert "such award."

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mrs. NORTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### BOARD OF INDETERMINATE SENTENCE AND PAROLE FOR THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 10273) to establish a board of indeterminate sentence and parole for the District of Columbia, and to determine its functions, and for other purposes, and ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk began the reading of the bill.

Mr. BLANTON (interrupting the reading of the bill). Mr. Speaker, this is a very important measure. It creates a new board and takes away from the courts the usual function of granting paroles and puts this duty in the hands of three parties who are to draw new salaries. We do not know where it is going to lead.

I hope the lady from New Jersey will not try to pass the bill at this late hour, but will withdraw it. This is too important a measure to be considered at this time. It interferes with the usual parole prerogative of the courts and puts this duty in entirely different hands. The members of this board will know nothing about the cases except what they get secondhand.

Mr. Speaker, I make the point of order there is not a quorum present. We have worked now until nearly 5 o'clock.

The SPEAKER. Will the gentleman withhold the point until the Chair lays before the House some personal requests?

Mr. BLANTON. I withhold it, Mr. Speaker.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KURTZ (at the request of Mr. DARROW), on account of death in family.

To Mr. STEWART, on account of illness.

#### ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Tuesday, April 12, 1932, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Tuesday, April 12, 1932, as reported to the floor leader by clerks of the several committees:

##### MILITARY AFFAIRS

(10 a. m.)

Private bills.

##### INVALID PENSIONS

(10 a. m.)

Private bills; third omnibus bill.

##### WAYS AND MEANS

(10 a. m.)

Continue hearings on bills for cash payment of adjusted-compensation certificates.

##### AGRICULTURE

(10 a. m.)

Storm relief for Southern States.

##### PUBLIC LANDS

(10.30 a. m.)

Hearings—Members of the House on public domain.

##### RULES

(10.30 a. m.)

Hearing—Copyright bill (H. R. 10976).

##### COINAGE, WEIGHTS, AND MEASURES

Hearing—Silver investigation.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SANDLIN: Committee on Appropriations. H. R. 11267. A bill making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes; without amendment (Rept. No. 1036). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEVENSON: Committee on Printing. H. Res. 188. A resolution to provide for printing of 1,000 additional copies of the hearings held before the Committee on Banking and Currency of the House on the bill, H. R. 10517, entitled "For increasing and stabilizing the price level of commodities, and for other purposes" (Rept. No. 1035). Ordered to be printed.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PITTENGER: Committee on Claims. H. R. 1842. A bill for the relief of William H. Ames; with amendment (Rept. No. 1031). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 2217. A bill for the relief of the Bethel Cemetery Co., the Presbyterian Church, Harold S. Stubbs, George Morgan, Edward Stapp, William J. Howard, David J. Seacord, Mary L. McIntire, Emma E. Foard, Herbert C. Hannigan, Sisters of St. Basil, Edward Bedwell, and Rachel A. Loveless; without amendment (Rept. No. 1032). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6275. A bill for the relief of Howard McKee; with amendment (Rept. No. 1033). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 10732. A bill to adjudicate the claim of Alfred Sollum, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota; with amendment (Rept. No. 1034). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 5704. A bill authorizing the Secretary of War, under the direction of the President, to order Joseph E. Myers, major, United States Army, retired, before a retiring board for a rehearing of his case, and upon the findings of such board, either confirm his retirement under the provisions of section 24-b, act of Congress of June 4, 1920, or place him on the retired list, as provided by section 1251, of the Revised Statutes, for disability incurred in line of duty; without amendment (Rept. No. 1037). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BALDRIGE: A bill (H. R. 11266) to regulate the sale of wheat owned or controlled through the Grain Stabilization Corporation by the Federal Farm Board, and for other purposes; to the Committee on Agriculture.



By Mr. SANDLIN: A bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. HARE: A bill (H. R. 11268) to create a small-holdings fund for the further development of agriculture and industry in the Virgin Islands of the United States; to the Committee on Insular Affairs.

By Mr. WICKERSHAM: A bill (H. R. 11269) to establish a supreme court in and for the Territory of Alaska, to confer judicial power thereon, and for other purposes; to the Committee on the Judiciary.

By Mr. MANSFIELD: A bill (H. R. 11270) to amend section 2 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes"; to the Committee on the Post Office and Post Roads.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11271) to authorize the issuing of emergency credit bonds and their use by depository banks for the purpose of making loans in order to revive and encourage trade, to increase employment, to prevent the foreclosure of mortgages, to stimulate industry, to aid agriculture, to prohibit the use of such credits for speculating in stocks, and for other purposes; to the Committee on Ways and Means.

By Mr. CRISP: A bill (H. R. 11272) to reduce the rate of interest on loans upon adjusted-service certificates; to the Committee on Ways and Means.

By Mr. PETTINGILL: Resolution (H. Res. 189) relating to the services, functions, and bureaus of the Department of Commerce; to the Committee on Expenditures in the Executive Departments.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 11273) for the relief of Maj. Clarence H. Greene, United States Army, retired; to the Committee on Claims.

By Mr. COCHRAN of Missouri: A bill (H. R. 11274) granting an increase of pension to Albert Link Lee; to the Committee on Pensions.

By Mr. COLLIER: A bill (H. R. 11275) for the relief of Ninian Edward Kline, deceased; to the Committee on Naval Affairs.

By Mr. COLE of Maryland: A bill (H. R. 11276) granting a pension to Laura C. Hobbs; to the Committee on Invalid Pensions.

By Mr. CURRY: A bill (H. R. 11277) for the relief of the Shipowners & Merchants' Tugboat Co., of San Francisco, Calif.; to the Committee on Claims.

By Mr. GILCHRIST: A bill (H. R. 11278) granting an increase of pension to Mary M. Nutt; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 11279) granting a pension to Peter Paul Koch; to the Committee on Pensions.

By Mr. JAMES: A bill (H. R. 11280) to authorize an appropriation for the completion of the heating plant at Carlisle Barracks; to the Committee on Military Affairs.

By Mr. JENKINS: A bill (H. R. 11281) granting an increase of pension to Mary A. Rawlings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11282) granting an increase of pension to Nancy J. Edler; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11283) to correct the military record of Bernard Laird; to the Committee on Military Affairs.

By Mr. STEVENSON: A bill (H. R. 11284) for the relief of John H. Cathcart; to the Committee on Claims.

By Mr. TINKHAM: A bill (H. R. 11285) for the relief of Mucia Alger; to the Committee on Foreign Affairs.

By Mr. WEAVER: A bill (H. R. 11286) authorizing the United States Employees' Compensation Commission to con-

sider the claim of Martin Luther Mauney; to the Committee on Claims.

Also, a bill (H. R. 11287) for the relief of John C. Gibbs; to the Committee on War Claims.

Also, a bill (H. R. 11288) granting a pension to Flora Duckett; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 11289) granting an increase of pension to Mary E. Strawn; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XII, petitions and papers were laid on the Clerk's desk and referred as follows:

5803. By Mr. ARNOLD: Petition of citizens of Allendale, Ill., favoring legislation providing for the regulation of motor truck and bus traffic on public highways; to the Committee on Interstate and Foreign Commerce.

5804. By Mr. BOLAND: Petition of J. C. Rath, of Scranton, Pa., and 100 other citizens of Lackawanna County, Pa., opposing the 1-cent shell tax as proposed in House bill 10604; to the Committee on Ways and Means.

5805. By Mr. BOYLAN: Letter from the Merchants' Association of New York, opposing House bill 10241, to provide a guarantee fund for depositors in member banks of the Federal reserve system; to the Committee on Banking and Currency.

5806. Also, resolution adopted by the officers and members of Branch 36 of the National Association of Letter Carriers, New York Letter Carriers' Association, opposing Senate bill 3878 and House bill 9644; to the Committee on the Post Office and Post Roads.

5807. Also, resolution adopted by the Railroad Employees' National Pension Association (Inc.), New York, N. Y., favoring House bill 9891; to the Committee on Interstate and Foreign Commerce.

5808. By Mr. COYLE: Petition of 125 citizens of Easton, Northampton County, Pa., favoring the bill (H. R. 1) to provide for immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

5809. Also, petition of 81 citizens of Northampton County, Pa., protesting against the cent-a-shell tax, as proposed in House bill 10604, to be imposed upon shotgun shells; to the Committee on Ways and Means.

5810. By Mr. DAVENPORT: Petition of 54 citizens of Utica, N. Y., headed by Mrs. A. Gulian, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

5811. Also, petition of Chauncey E. Frye and others of New Hartford, N. Y., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

5812. By Mr. EVANS of California: Petition signed by approximately 150 citizens, urging the maintenance of the prohibition law and its enforcement; to the Committee on the Judiciary.

5813. By Mr. GARBER: Petition of certain citizens of the eighth congressional district of Oklahoma, urging enactment of legislation providing for payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

5814. Also, petition of various posts of the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars, and the United States war veterans, urging enactment of legislation providing for payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

5815. Also, petition of the Blackwell (Okla.) Lions and Kiwanis Clubs, urging enactment of legislation providing for payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

5816. By Mr. HERR: Petition of S. B. Russell, J. E. Markow, and 26 other citizens of Seattle, protesting against Senate bill 695 and all other measures which propose to curtail any of the benefits which war veterans have been



awarded; to the Committee on World War Veterans' Legislation.

5817. Also, petition of E. F. Shelton, Charles C. Murphy, and 50 other citizens of Seattle, Wash., protesting against Senate bill 695 and all other measures which propose to curtail any of the benefits which war veterans have been awarded; to the Committee on World War Veterans' Legislation.

5818. By Mr. JAMES: Resolution of the Sunday school board of Grace Methodist Episcopal Church, Houghton, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

5819. Also, resolution of the board of directors, Escanaba Chamber of Commerce, Escanaba, Mich., by William Warmington, president, and H. P. Lindsay, secretary, favoring a tariff on copper; to the Committee on Ways and Means.

5820. Also, resolution of St. John Baptist Lodge, No. 8, of the Slovenic Croatian Union of America, Calumet, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

5821. Also, petition from teachers of the Isle Royale School, Houghton, Mich., soliciting a tax on copper; to the Committee on Ways and Means.

5822. Also, petition of the teachers of the Douglass Houghton School, Houghton, Mich., through Ann Abramson, Irene M. Prisk, Geraldine Hassett, and Marion L. Noetzel, favoring a tariff on copper; to the Committee on Ways and Means.

5823. Also, petition of the teachers of the J. A. Hubbell School of Houghton, Mich., through its teachers, Agnes Looney, Gertrude Matson, Margaret E. Dillon, Blanche Keough, and Esther A. Michels, favoring a tariff on copper; to the Committee on Ways and Means.

5824. Also, resolution of Local 955 of the Journeymen Bathers International Union of America, through Ralph Ziegenbein, secretary-treasurer, Houghton, Mich., opposing reduction of Federal employees' salaries; to the Committee on Expenditures in the Executive Departments.

5825. Also, petition of farmers, business men, and unemployed laborers, through Charles H. Brown, chairman, and William Johnson, secretary, Mass, Mich., favoring a tariff on copper; to the Committee on Ways and Means.

5826. Also, telegram of the members of the Ontonagon Rotary Club, Ontonagon, Mich., requesting a tariff on copper; to the Committee on Ways and Means.

5827. Also, letter from the German Workingmen's Aid Society Concordia of Lake Linden, Mich., asking for a tariff on copper; to the Committee on Ways and Means.

5828. By Mr. KEMP: Petition of 114 citizens of Donaldsonville, La., favoring immediate cash payment of the soldiers' adjusted compensation; to the Committee on Ways and Means.

5829. By Mr. KINZER: Communication of Chester County Rod and Gun Club, of Coatesville, Pa., opposing the 1-cent tax on shotgun shells; to the Committee on Ways and Means.

5830. By Mr. LINDSAY: Petition of Allied Veterans of National Homes and Hospitals, Johnson City, Tenn., favoring the passage of the Patman bill, H. R. 1, and the cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

5831. Also, petition of Chamber of Commerce of the State of New York, opposing any change in the status of the Army engineers; to the Committee on Rivers and Harbors.

5832. Also, petition of Chamber of Commerce of the State of New York, opposing increases in income and surtaxes; to the Committee on Ways and Means.

5833. Also, petition of Chamber of Commerce of the State of New York, opposing the Glass bill, S. 4115, amending the Federal banking law; to the Committee on Banking and Currency.

5834. Also, petition of Chamber of Commerce of the State of New York, opposing the proposed high transfer tax on securities; to the Committee on Ways and Means.

5835. Also, petition of Chamber of Commerce of the State of New York, favoring the repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

5836. By Mr. McLAUGHLIN: Petition of S. J. Linck and 49 other residents of Muskegon and Ottawa Counties, Mich., protesting against compulsory Sunday observance legislation in the District of Columbia; to the Committee on the District of Columbia.

5837. By Mr. McMILLAN: Petition of citizens of Charleston, S. C., favoring immediate payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

5838. By Mr. MALONEY: Petition of 130 citizens of New Orleans, La., protesting against the adoption of Senate bill 1202 or House bill 8092, providing for the closing of barber shops on Sunday in the District of Columbia; to the Committee on the District of Columbia.

5839. By Mr. MILLARD: Petition signed by citizens of Westchester County, N. Y., favoring cash payment of face value of the adjusted-compensation certificates; to the Committee on Ways and Means.

5840. By Mr. NELSON of Maine: Memorial of the Eighty-fifth Legislature of the State of Maine, urging a tax upon imported pulpwood, baled pulp, paper, and lumber sufficient to offset the depreciation in foreign currencies, and for other purposes; to the Committee on Ways and Means.

5841. By Mrs. NORTON: Resolution of Court No. 533, Catholic Daughters of America, protesting against House bills 4739 and 4757; to the Committee on the Judiciary.

5842. By Mr. PARKER of Georgia: Petition of J. H. Osborne, A. G. Bernstein, and J. M. Gibson, of Savannah, Ga., urging the enactment of legislation regulating busses and trucks engaged in hauling passengers and freight; to the Committee on Interstate and Foreign Commerce.

5843. By Mr. PETTENGILL: Petition of M. D. McFarland and 400 others, of Plymouth, Ind., protesting against House bill 8092; to the Committee on the District of Columbia.

5844. Also, petition of Brotherhood of Railway and Steamship Clerks, urging proper legislation to regulate transportation in interstate commerce by motor trucks and busses; to the Committee on Interstate and Foreign Commerce.

5845. By Mr. ROMJUE: Petition of St. Louis Chapter, No. 22, National Sojourners, favoring ample appropriations for the maintenance of all departments of the Army, Navy, marines, National Guard, and reserve forces, and citizens' military training camps; to the Committee on Appropriations.

5846. Also, petition of Patterson-Souder Post, No. 139, American Legion, Republic, Mo., favoring legislation providing pensions for widows and orphans of veterans of the World War; to the Committee on Pensions.

5847. By Mr. RUDD: Petition of Chamber of Commerce, El Paso, Tex., favoring the passage of House Joint Resolution 319, providing for a 5-cent tariff on raw copper; to the Committee on Ways and Means.

5848. Also, petition of Defender Manufacturing Co. (Inc.), Long Island City, favoring balancing of the Budget; to the Committee on Appropriations.

5849. Also, petition of Railroad Employees' National Pension Association (Inc.), Chapter No. 77, New York, N. Y., favoring the passage of the Keller bill, H. R. 9891; to the Committee on Interstate and Foreign Commerce.

5850. Also, petition of Chamber of Commerce of the State of New York, favoring repeal of the eighteenth amendment; to the Committee on the Judiciary.

5851. Also, petition of Chamber of Commerce of the State of New York, opposing high transfer tax on securities; to the Committee on Ways and Means.

5852. Also, petition of Chamber of Commerce of the State of New York, opposing the Glass bill, S. 4115, amending Federal banking laws; to the Committee on Banking and Currency.

5853. Also, petition of Chamber of Commerce of the State of New York, opposing any change in the status of Army engineers; to the Committee on Rivers and Harbors.



## SENATE

TUESDAY, APRIL 12, 1932

*(Legislative day of Monday, April 11, 1932)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Howell	Pittman
Austin	Couzens	Hull	Reed
Bailey	Cutting	Johnson	Robinson, Ark.
Bankhead	Dale	Jones	Robinson, Ind.
Barbour	Dickinson	Kean	Schall
Bingham	Dill	Kendrick	Sheppard
Black	Fess	Keyes	Shipstead
Blaine	Fletcher	King	Smoot
Borah	Frazier	La Follette	Steiwer
Bratton	George	Long	Thomas, Idaho
Brookhart	Glass	McGill	Thomas, Okla.
Bulkeley	Glenn	McKellar	Townsend
Bulow	Goldsborough	McNary	Trammell
Byrnes	Gore	Metcalf	Vandenberg
Capper	Hale	Morrison	Wagner
Caraway	Harrison	Neely	Walcott
Carey	Hastings	Norbeck	Walsh, Mont.
Connally	Hatfield	Norris	Watson
Coolidge	Hayden	Nye	White
Copeland	Hebert	Oddie	

Mr. SHEPPARD. I wish to announce that the senior Senator from Louisiana [Mr. BROUSSARD] is necessarily detained from the Senate.

I also wish to announce further that the senior Senator from Maryland [Mr. TYDINGS] is detained from the Senate in attendance upon the funeral of a friend.

I further desire to announce that the senior Senator from Virginia [Mr. SWANSON] is absent in attendance upon the disarmament conference at Geneva.

I also wish to announce that the senior Senator from Missouri [Mr. HAWES] is necessarily detained from the Senate by illness.

Mr. BYRNES. I desire to announce that my colleague the senior Senator from South Carolina [Mr. SMITH] is necessarily detained by serious illness in his family.

Mr. GEORGE. My colleague the senior Senator from Georgia [Mr. HARRIS] is still detained from the Senate because of illness. I will let this announcement stand for the day.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 1769. An act to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital;

S. 2078. An act to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan Police Force and Fire Department of the District of Columbia, and for other purposes,' approved May 11, 1892";

S. 2496. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 3222. An act to amend an act approved March 3, 1917, known as the District of Columbia appropriation act for the year ending June 30, 1918;

S. 3634. An act to amend section 600 of the act of March 3, 1901 (31 Stat. 1284; D. C. Code, title 5, sec. 122); and

S. J. Res. 4. Joint resolution to provide for the naming of Montgomery Blair Portal.

The message also announced that the House had passed the bill (S. 3584) to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their prin-

5854. Also, petition of Chamber of Commerce of the State of New York, opposing increases in income and surtaxes; to the Committee on Ways and Means.

5855. By Mr. SELVIG: Petition of American Legion Post, No. 256, Clearbrook, Minn., urging immediate full cash payment of the bonus and enactment of Rankin pension bill; to the Committee on Ways and Means.

5856. Also, petition of Village Council of Hibbing, Minn., favoring enactment of cash payment of adjusted-service certificates; to the Committee on Ways and Means.

5857. Also, petition of Olaf Sovde, Frank Hoffman, and 10 other citizens of Holt, Minn., and vicinity, favoring immediate cash payment of the bonus; to the Committee on Ways and Means.

5858. Also, petition of Theodore Ostius, Herbert E. Robley, and 18 other legionnaires of Pelican Rapids, Minn., urging enactment of cash payment of full face value of adjusted-compensation certificates; to the Committee on Ways and Means.

5859. Also, petition of Roy Hanson, Leonard Lee, and 18 other Legionnaires of Pelican Rapids, Minn., urging cash payment of bonus certificates; to the Committee on Ways and Means.

5860. Also, petition of J. M. Linder, J. A. McArthur, and 19 Legionnaires of Pelican Rapids, Minn., urging cash payment of adjusted-compensation certificates; to the Committee on Ways and Means.

5861. By Mr. SMITH of West Virginia: Resolution of the Beckley Chamber of Commerce, of Beckley, W. Va., protesting against the passage of the Davis-Kelly bills, S. 2935 and H. R. 7536; to the Committee on Interstate and Foreign Commerce.

5862. By Mr. STALKER: Petition of members of the American Legion, Tioga Post, No. 401, Owego, N. Y., favoring cash payment of face value of adjusted-compensation (bonus) certificates; to the Committee on Ways and Means.

5863. Also, petition of residents of Elmira, N. Y., protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

5864. Also, petition of residents of Corning and Painted Post, N. Y., and vicinity, protesting against compulsory Sunday observance; to the Committee on the District of Columbia.

5865. By Mr. SWANSON: Petition of Emil W. Stuhr and others, favoring enactment of Senate bills 3133, 2487, and 1197; to the Committee on Agriculture.

5866. Also, petition of Fay Carlson and others, favoring full payment of the adjusted-service certificates; to the Committee on Ways and Means.

5867. Also, petition of John Jensen and others, favoring full payment of the adjusted-service certificates; to the Committee on Ways and Means.

5868. By Mr. TARVER: Petition of Robert L. Chambers and other ex-service men of Chattooga County, Ga., urging the immediate cash payment in full of the remainder of the adjusted-service certificates; to the Committee on Ways and Means.

5869. By Mr. TEMPLE: Petition of Theodore C. J. Bezy, of Charleroi, Pa., and other members of his family, supporting the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

5870. By Mr. TILSON: Petition of William J. Burke and others, favoring the payment of bonus certificates; to the Committee on Ways and Means.

5871. Also, petition of citizens of Connecticut, opposing House bill 10604; to the Committee on Ways and Means.

5872. By Mr. WYANT: Petition of 250 members of Southwest Lodge, No. 63, Brotherhood of Railway Trainmen, urging opposition of Congress to any salary reduction of Government employees; to the Committee on Expenditures in the Executive Departments.

5873. By the SPEAKER: Petition of citizens of the State of Wisconsin, urging Congress to pass the farmers' relief bill; to the Committee on Agriculture.